STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

FORM	13
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AMENDED REPORT (highlight changes)

	AP	PLICA	ATION FOR	R PERMIT TO	DRILL	. , .		5. MINERAL LEASE NO: UTU-02270-A		6. SURFACE: State
1A. TYPE OF WO	RK: DRIL	LL 🔽	REENTER	DEEPEN				7. IF INDIAN, ALLOTTEE	OR TE	RIBE NAME:
B. TYPE OF WE	LL: OIL G	SAS 🗸	OTHER	SIN	GLE ZONE [MULTIPLE ZON	IE 🗸	8. UNIT OF CA AGREEM NATURAL BU		
2. NAME OF OPE		COMP	ANV LD					9. WELL NAME and NUM NBU 1021-18E		
3. ADDRESS OF	T OIL & GAS	COMP	4111, L.P.		1	PHONE NUMBER:		10. FIELD AND POOL, C		DCAT:
1368 S 120	0 E	omy VEF	RNAL s	TATE UT ZIP 84	078	(435) 781-7060		NATURAL BU	TTE	S
	WELL (FOOTAGES)		6202	54 X	39.	953676		11. QTR/QTR, SECTION MERIDIAN:	i, i Owi	NSHIP, RANGE,
AT SURFACE:	544' FNL 209	94' FEL				592/98		NWNE 18	10\$	21E
AT PROPOSED	PRODUCINGZONE:		110.	, , , ,	104,	572/78				
14. DISTANCE IN	MILES AND DIRECTION	ON FROM N	EAREST TOWN OR	POST OFFICE:				12. COUNTY:		13. STATE: UTAH
12.8 MILE	ES SOUTHEA	ST OF	OURAY, UTA	\H				UINTAH		
15. DISTANCE TO	NEAREST PROPERT	TY OR LEAS	E LINE (FEET)	16. NUMBER O	F ACRES IN LEAS		17. N	UMBER OF ACRES ASSIG	NED T	
544'						2167.03	<u> </u>			40
) NEAREST WELL (DF R) ON THIS LEASE (FE		MPLETED, OR	19, PROPOSEI	DEPTH:	0.700		OND DESCRIPTION:		
REFER TO				100 100 000		9,700		_B0005238		
	(SHOW WHETHER DI	F, R1, GR, E	:TC.):	22. APPROXIM	ATE DATE WORK	WILL START:		ESTIMATED DURATION: O BE DETERMINED		
5114.7' G	<u> </u>				 					
24.			PROPO	SED CASING A	ND CEMEN	TING PROGRAM				_
SIZE OF HOLE	CASING SIZE, GRA	ADE, AND W	EIGHT PER FOOT	SETTING DEPTH		CEMENT TYPE, QU	ANTITY,	YIELD, AND SLURRY WE	IGHT	
14"				40						
12 1/4"	9 5/8"	32.3#	H-40, STC	2,100	PREM CN	ΛT	20	35 SX 1	.18	15.6
7 7/8"	4 1/2"	11.6#	I-80, LTC	9,700	PREM LIT	EII	46	30 SX 3	.38	11
					50/50 PO	Z G	153	30 SX 1	.31	14.3
		· · · · · · · · · · · · · · · · · · ·				<u>w.</u>	-,	· · · · · · · · · · · · · · · · · · ·		· · · · · · · · · · · · · · · · · · ·
25.				ATTA	CHMENTS					
VERIFY THE FOL	LOWING AREATTACH	HED IN ACC	ORDANCEWITH TH	E UTAH OIL AND GAS C	ONSERVATION G	SENERAL RULES:				
✓ WELL PL	AT OR-MAP PREPARE	ED BY LICEN	SED SURVEYOR OF	RENGINEER	✓ cor	MPLETE DRILLING PLAN				
_	E OF DIVISION OF W					RM 5, IF OPERATOR IS PE	PSON (OR COMPANY OTHER THA	N THE	LEASE OWNER
EVIDENC	E OF DIVISION OF W	AIERRIGH	13 AFFROVAL TOR C	JOE OF WATER						
NAME (PLEASE	DEBRA [DOMEN	IICI		TITLE	ASSOC. ENVI	RON	MENTAL ANALY	/ST	
zy wa) a	• .		<u> </u>	11/21/2005				
SIGNATURE	sella De	ישורע	illar		DATE				·	
(This space for Stat		Alin :	37432		pproved Itah Divis , Gas and	by the sion of displaying	o a constant and a second	RECEIV	'Cr	

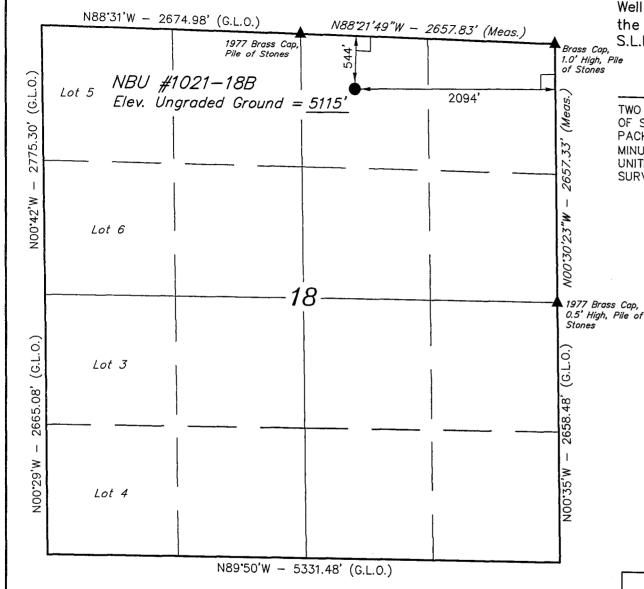
Federal Approval of this Action is Necessary

(11/2001)

NOV 3 0 2005

DIV. OF OIL, GAS & MINING

T10S, R21E, S.L.B.&M.



BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83) LATITUDE = 39'57'13.20" (39.953667) LONGITUDE = 109'35'34.42" (109.592894)

(NAD 27)

LATITUDE = 39'57'13.33" (39.953703)

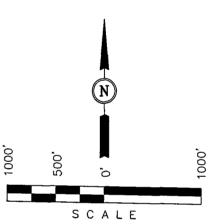
LONGITUDE = 109'35'31.94" (109.592206)

WESTPORT OIL AND GAS COMPANY, L.P.

Well location, NBU #1021-18B, located as shown in the NW 1/4 NE 1/4 of Section 18, T10S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR WADER MY SUPERVISION AND THAT THE SAME ARE THIS AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BEST OF MY KNOWLEDGE AND BEST

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

UINTAH ENGINEERING & LAND WORVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

	1000'		DATE SURVEYED: 10-17-05	
PARTY D.K.	B.B.	K.G.	REFERENCES G.L.O. P	LAT
WEATHER	COOL			STPORT OIL AND COMPANY, L.P.

NBU 1021-18B NWNE SEC 18-T10S-R21E UINTAH COUNTY, UTAH UTU-02270-A

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

Formation	<u>Depth</u>
Uinta	0- Surface
Green River	1500'
Wasatch	4725'
Mesaverde	7500'
TD	9700'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

Substance	<u>Formation</u>	Depth
	Green River	1500'
Gas	Wasatch	4725'
Gas	Mesaverde	7500'
Water	N/A	
Other Minerals	N/A	

3. <u>Pressure Control Equipment</u> (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. Abnormal Conditions:

Maximum anticipated bottomhole pressure calculated at 9700' TD, approximately equals 6014 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3880 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. <u>Anticipated Starting Dates:</u>

Drilling is planned to commence immediately upon approval of this application.

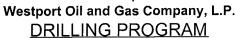
9. <u>Variances:</u>

Please refer to the attached Drilling Program.

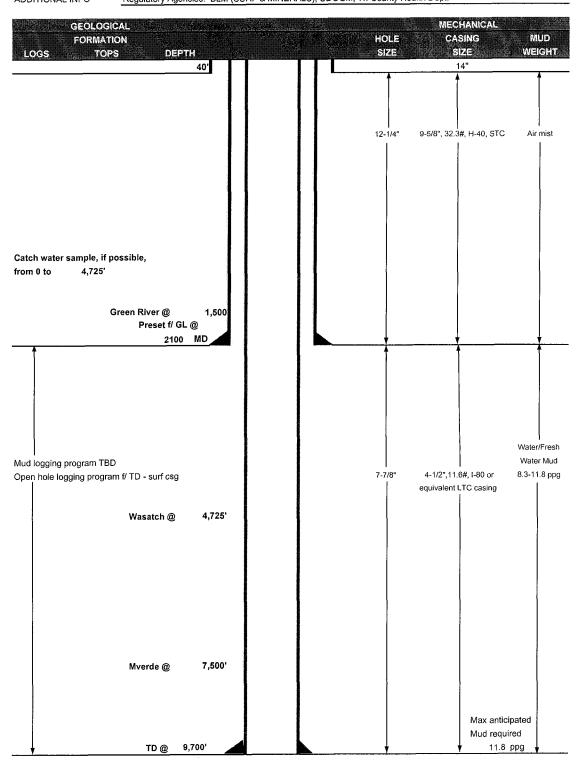
10. Other Information:

Please refer to the attached Drilling Program.





Westport Oil and Gas Co., L.P. DATE November 15, 2005 COMPANY NAME 9,700' MD/TVD NBU 1021-18B TD WELL NAME 5,115' GL KB 5,130' STATE Utah ELEVATION Natural Buttes COUNTY Uintah FIELD NWNE SECTION 18-T10S-R21E 544'FNL & 2094'FEL Straight Hole SURFACE LOCATION 39.953667 109.592894 Longitude: Latitude: OBJECTIVE ZONE(S) Wasatch/Mesaverde Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept. ADDITIONAL INFO









Westport Oil and Gas Company, L.P.

DRILLING PROGRAM

CASING PROGRAM

											DESIGN FACTORS	
	SIZE	IN	TERV	AL	WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION		
CONDUCTOR	14"		0-40'					0070	4070	054000		
		_					1	2270	1370	254000		
SURFACE	9-5/8"	0	to	2100	32.30	H-40	STC	0.59*****	1.39	4.28		
								7780	6350	201000		
PRODUCTION	4-1/2"	0	to	9700	11.60	I-80	LTC	2.04	1.07	2.05		

¹⁾ Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

(Burst Assumptions: TD =

11.8 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP

3818 psi

Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

			a Lava	=V0=00	LEVELON CO.	1/15-1-5
	FT. OF FILL		SACKS			YIELD
SURFACE LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1		+ .25 pps flocele				
TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
		+ 2% CaCl + .25 pps flocele				
TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE	1	NOTE: If well will circulate water to s	urface, op	tion 2 will b	e utilized	
Option 2 LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
		+.25 pps Flocele + 3% salt BWOC				
TAIL	500	Premium cmt + 2% CaCl	Premium cmt + 2% CaCl 180 35%		15.60	1.18
		+ .25 pps flocele				
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION LEAD	4,220'	Premium Lite II + 3% KCI + 0.25 pps	460	60%	11.00	3.38
		celloflake + 5 pps gilsonite + 10% gel				
		+ 0.5% extender				
					•	
TAIL	5,480'	50/50 Poz/G + 10% salt + 2% gel	1530	60%	14.30	1.31
	,	+.1% R-3				

^{*}Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing	head to 750 psi after installing.	Test surface casing to 1,500 psi prior to drilling out.	
BOPE: 11'	5M with one annular and 2 rams	. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out	Record on chart recorder 8
tour sheet.	Function test rams on each trip.	Maintain safety valve & inside BOP on rig floor at all times.	Kelly to be equipped with up

& lower kelly valves. Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

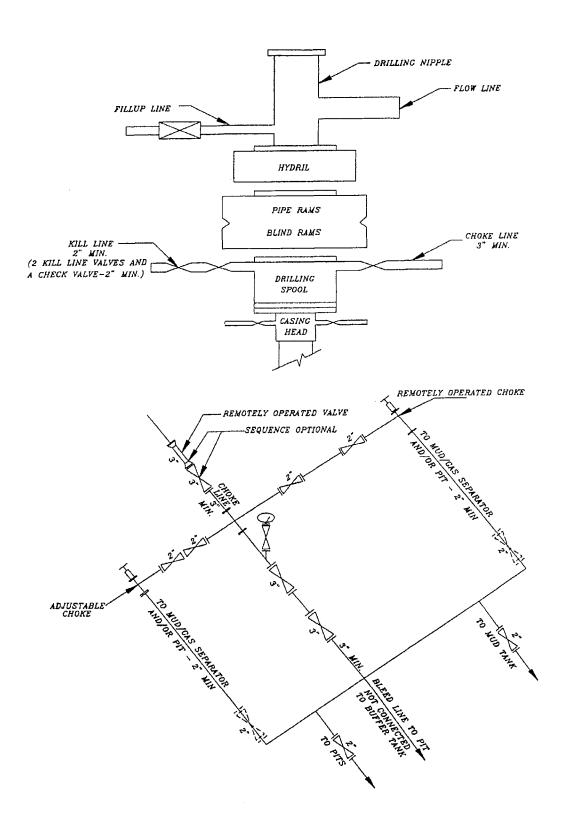
Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utililized.

DRILLING ENGINEER:			DATE:
DRILLING SUPERINTENDENT:	Brad Laney		DATE:
	Randy Bayne	1021-18B_APD.xls	

²⁾ MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

^{*}Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-18B NWNE SEC 18-T10S-R21E Uintah County, UT UTU-02270-A

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 340' of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. Location of Existing Wells Within a 1-Mile Radius

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 994' of pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

SITLA 675 East 500 South, Suite 500 Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been completed and is attached.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it Within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Debra Domenici Associate Environmental Analyst Westport O&G Co. 1368 South 1200 East. Vernal, UT 84078 (435) 781-7060 Randy Bayne Drilling Manager Westport O&G Co. 1368 South 1200 East Vernal, UT 84078 (435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Westport O&G Co. is considered to be the operator of the subject well. Westport O&G Co. agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005236.

NBU 1021-18B

Surface Use & Operations Plan

Page 6

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Debra Domenici

11/21/2005

Date

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1021-18B SECTION 18, T10S, R21E, S.L.B.&M.

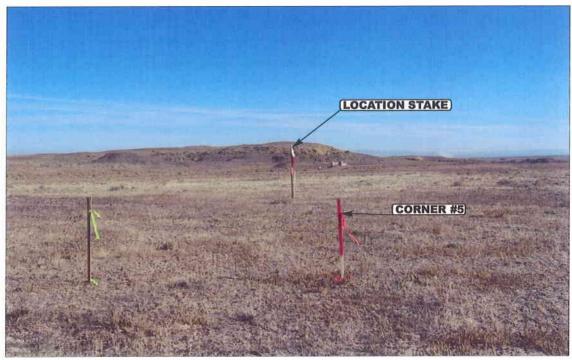
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 340' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.8 MILES.

WESTPORT OIL AND GAS COMPANY, L.P.

NBU #1021-18B

LOCATED IN UINTAH COUNTY, UTAH **SECTION 18, T10S, R21E, S.L.B.&M.**



CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

РНОТО

TAKEN BY: B.B. | DRAWN BY: C.P. | REVISED: 00-00-00

WESTPORT OIL AND GAS COMPANY, L.P. NBU #1021-18B PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH **SECTION 18, T10S, R21E, S.L.B.&M.**



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY

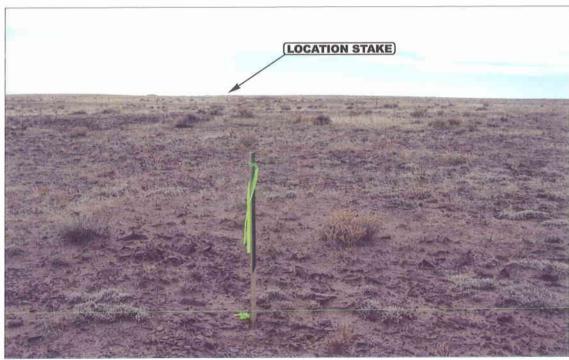


PHOTO: VIEW OF PIPELINE AT LOCATION

CAMERA ANGLE: SOUTHEASTERLY



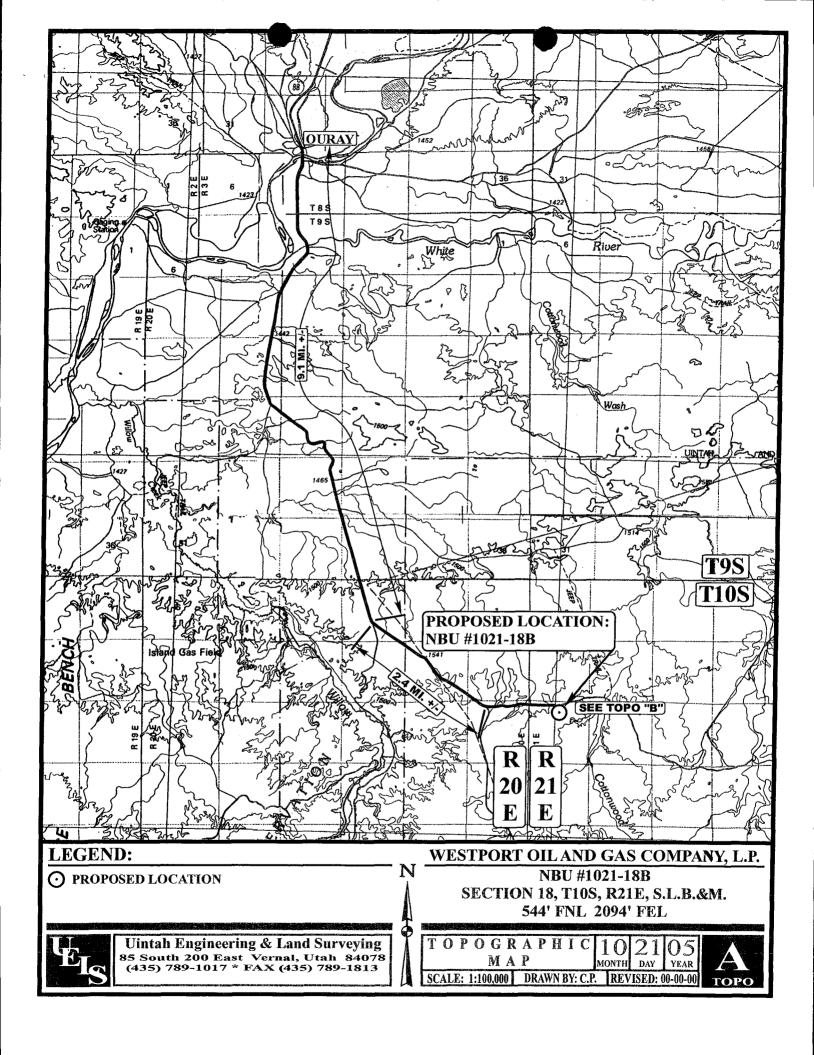
Uintah Engineering & Land Surveying

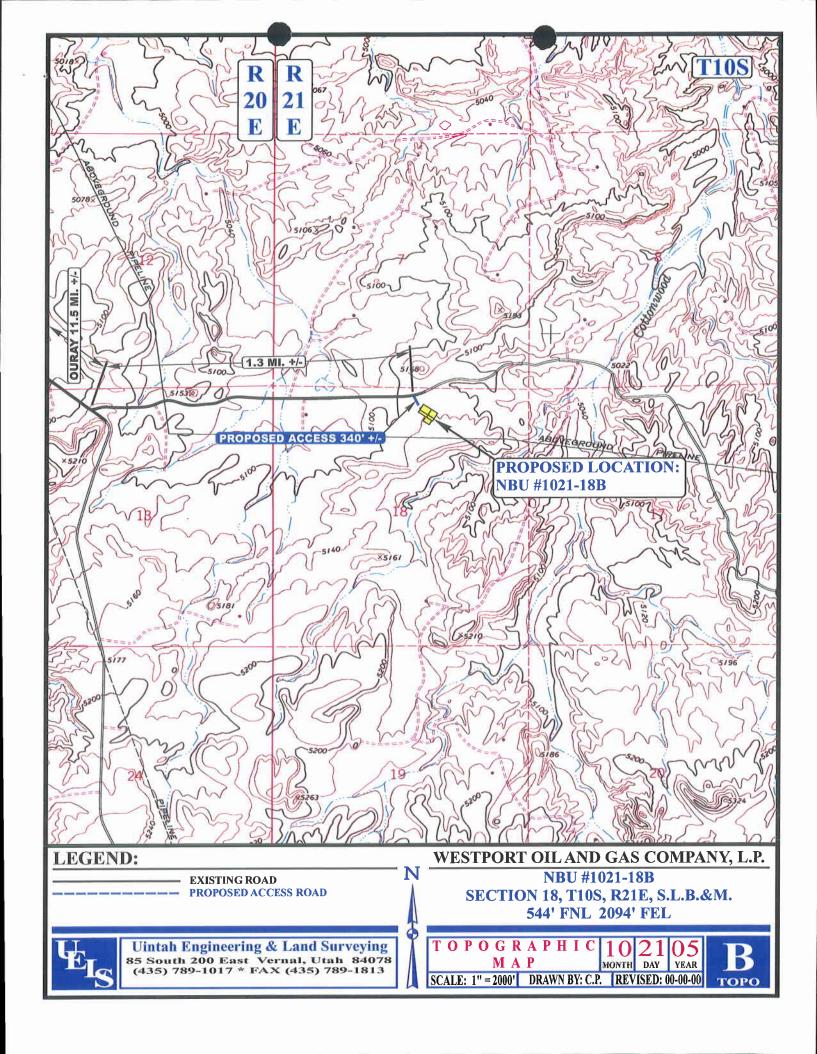
85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

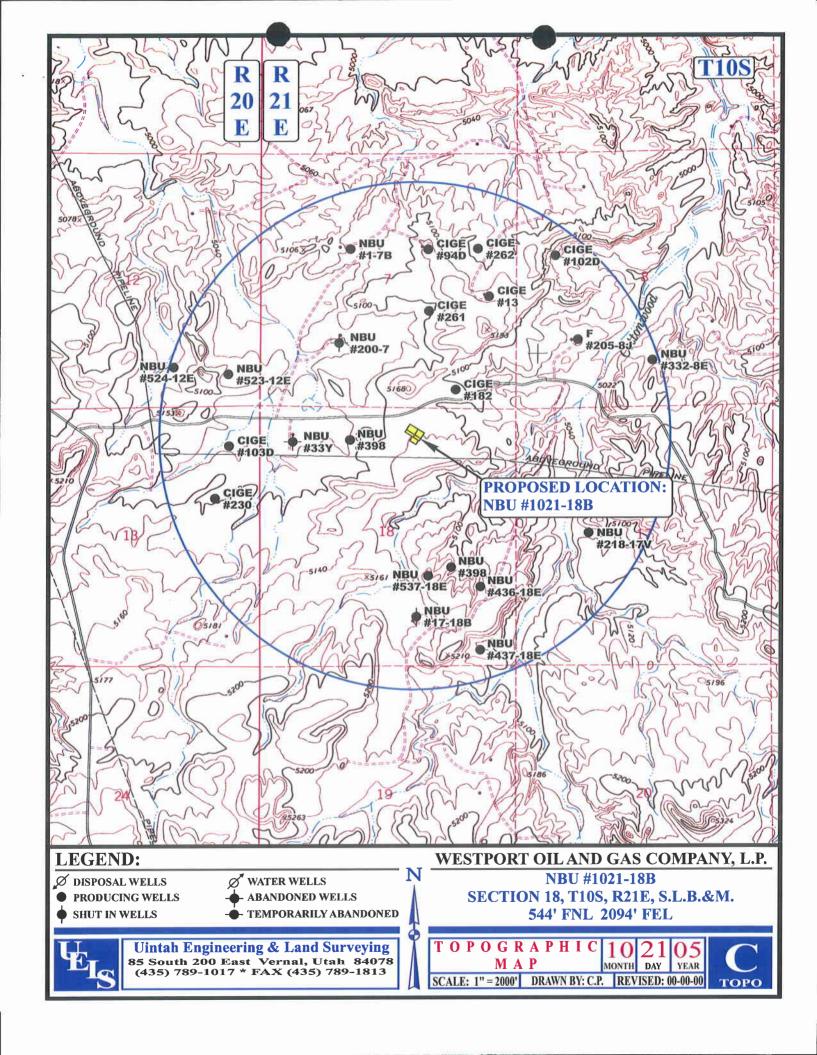
PIPELINE PHOTOS

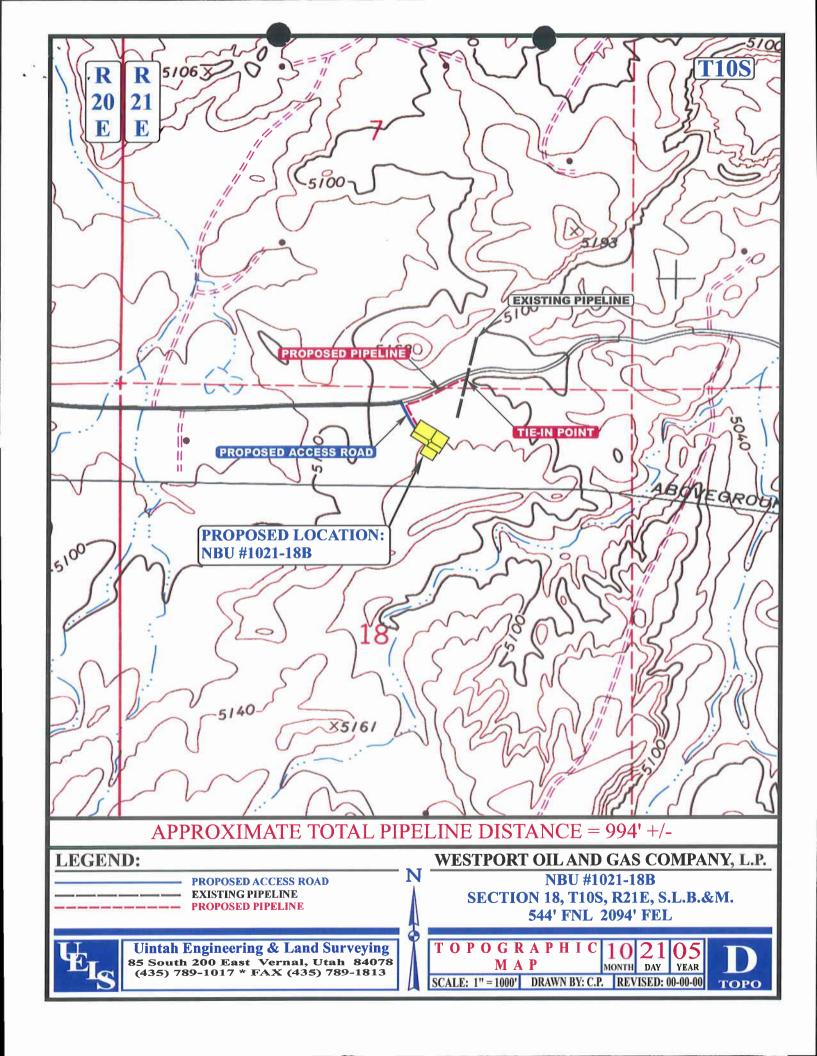
MONTH DAY

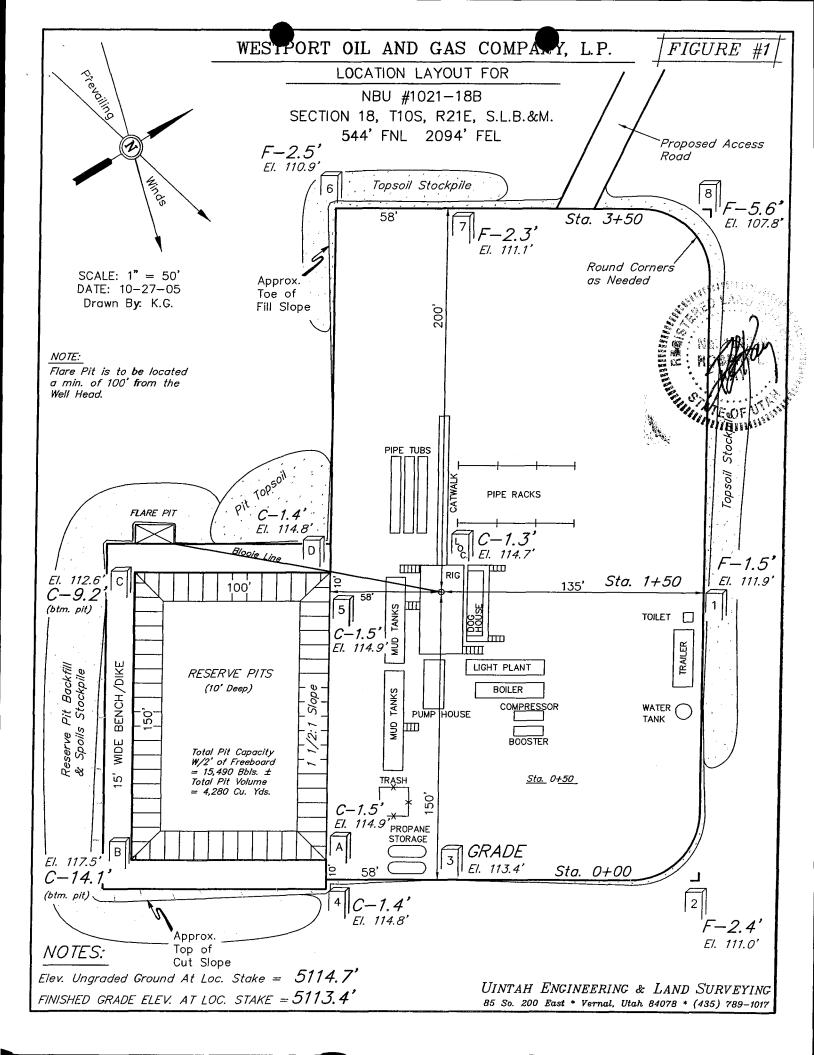
TAKEN BY: D.K. DRAWN BY: C.P. REVISED: 00-00-00

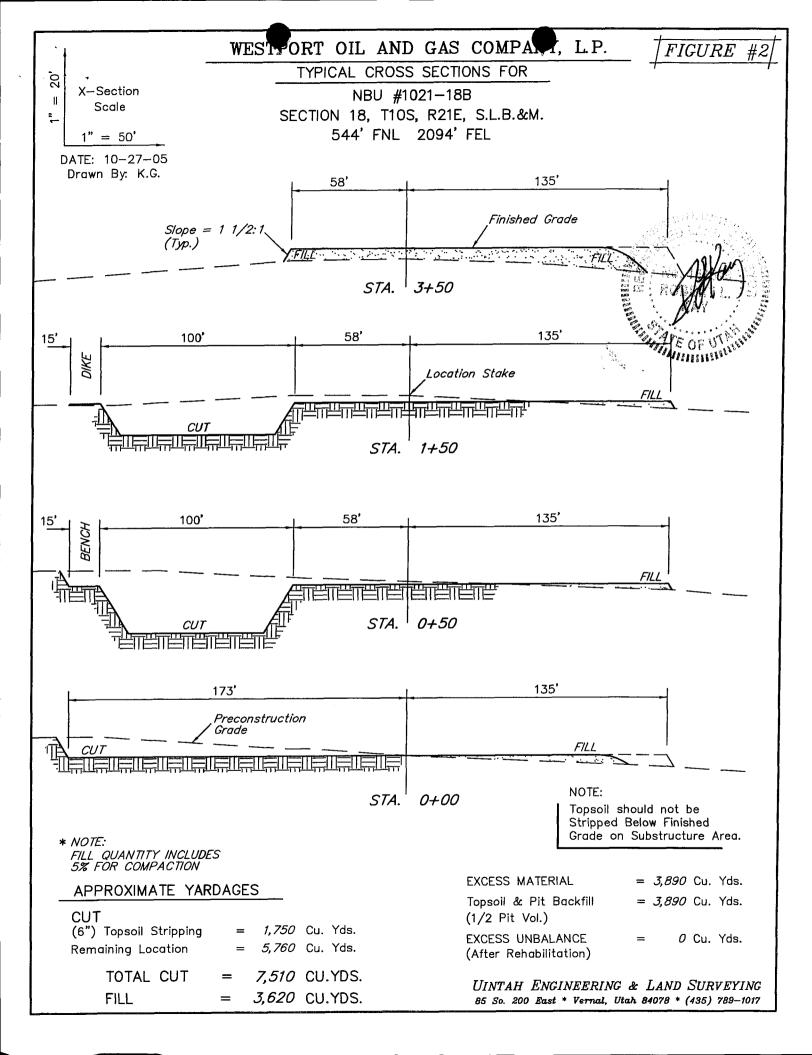




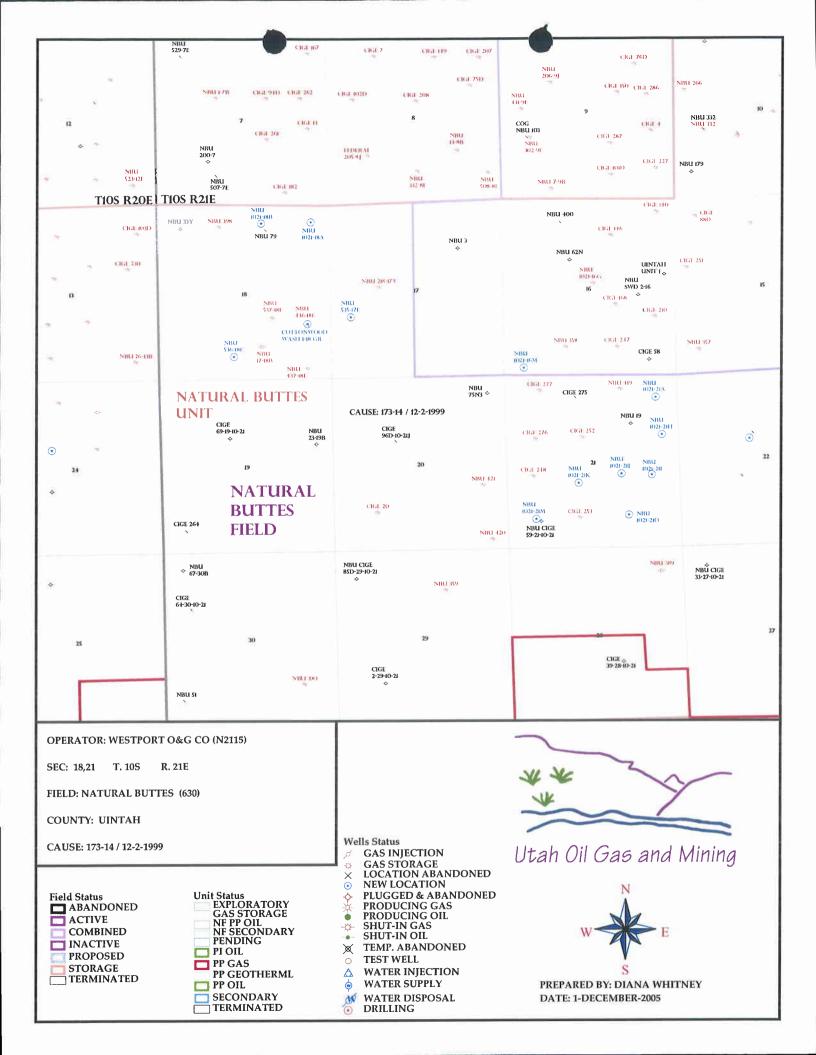








APD RECEIVED: 11/30/2005	API NO. ASSIGNED: 43-047-37432
WELL NAME: NBU 1021-18B OPERATOR: WESTPORT OIL & GAS CO (N2115) CONTACT: DEBRA DOMENICI	PHONE NUMBER: 435-781-7060
PROPOSED LOCATION: NWNE 18 100S 210E SURFACE: 0544 FNL 2094 FEL BOTTOM: 0544 FNL 2094 FEL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-02270-A SURFACE OWNER: 3 - State PROPOSED FORMATION: WSMVD COALBED METHANE WELL? NO	INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 39.95368 LONGITUDE: -109.5922
Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. RLB0005238) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496) RDCC Review (Y/N) (Date:) NA Fee Surf Agreement (Y/N) NA Intent to Commingle (Y/N)	LOCATION AND SITING:
STIPULATIONS: 1- FEDERAL APPROXIMENTS: 2- STATEMENT	17-20-05) nO OF BASIS



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR:	WESTPORT OIL AND GAS.
WELL NAME & NUMBER:	NBU 1021-18B
API NUMBER:	43-047-37432
	: <u>18</u> TWP: <u>10S</u> RNG: <u>21E</u> <u>544'</u> FNL <u>2094'</u> FEL
, 	
Geology/Ground Water:	
Westport proposes to set 2.100' of	f surface casing at this location. The depth to the base of the moderately
	nated to be at a depth of 5,100'. A search of Division of Water Rights records
	000 foot radius of the center of Section 18. The surface formation at this site
	a Formation is made up of interbedded shales and sandstones. The sandstones
	uous and should not be a significant source of useable ground water.
Reviewer: Brad	Hill Date:
a e	
Surface:	
The pre-site investigation of the sur	rface was performed on 12/20/2005. This site is on State surface, with Federal
	I site for a well in this drilling window. Jim Davis of SITLA was present but
	his site. Ben Williams from DWR was present, but stated no wildlife concerns
	oll Estes discussed pipeline capacity and stated that pipeline would not follow
	ut would go south from location to an existing pipeline.
are to the total and the property of the total and the tot	
Reviewer: Richard	d Powell Date: 12/20/2005

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION Division of Oil, Gas and Mining

OPERATOR: WESTPORT OIL AND GAS COMPANY

WELL NAME & NUMBER: NBU 1021-18B

API NUMBER: 43-047-37432

LEASE: UTU-02270-A FIELD/UNIT: NATURAL BUTTES

LOCATION: 1/4,1/4 NWNE Sec: 18 TWP: 10S RNG: 21E 544' FNL 2094' FEL

LEGAL WELL SITING: 460' from unit boundary and uncommitted tracts.

GPS COORD (UTM): 12T 0620256 4423355 SURFACE OWNER: SITLA.

PARTICIPANTS

Richard Powell and Ted Smith (DOGM), Ben Williams (DWR), Debra Domenici and Carroll Estes (WESTPORT), David Kay and Lucas Kay (UELS), Jim Davis (SITLA)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Area of location is quite flat. There are scattered hills and valleys nearby with exposed rock outcroppings along the ridges. Ouray is approximately 13 miles northwest.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife Grazing.

PROPOSED SURFACE DISTURBANCE: Location as proposed will be 350' by 293'. Proposed new access road 340'+/-.

LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS: See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will not follow access road as originally planned but will travel south of location to and existing pipeline.

SOURCE OF CONSTRUCTION MATERIAL: All construction material will be borrowed from site during construction of location.

ANCILLARY FACILITIES: None required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): Unlikely.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Portable toilets, sewage holding tanks, and onsite sewage treatment equipment will be handled by commercial contractors and regulated by the appropriate health authority. Trash will be contained

in trash baskets and disposed of at an approved landfill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: The area of location contains sparse, low growing sagebrush, with some bunch grass, salt brush, rabbit brush and prickly pear. Wildlife found in this area may include: Rodents, Raptors, Coyote, Pronghorn, Bobcat, Prairie Dogs and Rabbits.

SOIL TYPE AND CHARACTERISTICS: Poor, light brown silt soil with fractured shale.

EROSION/SEDIMENTATION/STABILITY: It does not appear that construction will affect erosion or the potential of sediment leaving the site.

PALEONTOLOGICAL POTENTIAL: None observed.

RESERVE PIT

CHARACTERISTICS: 150' by 100' and ten feet deep. Reserve pit to be placed in cut.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Site ranking score is 30.

SURFACE RESTORATION/RECLAMATION PLAN

As per SITLA

SURFACE AGREEMENT: As per SITLA

CULTURAL RESOURCES/ARCHAEOLOGY: Center Stake marked by Moac K.M. on 9/28/2005.

OTHER OBSERVATIONS/COMMENTS

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

RICHARD POWELL
DOGM REPRESENTATIVE

12/20/2005 9:40 AM DATE/TIME

Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

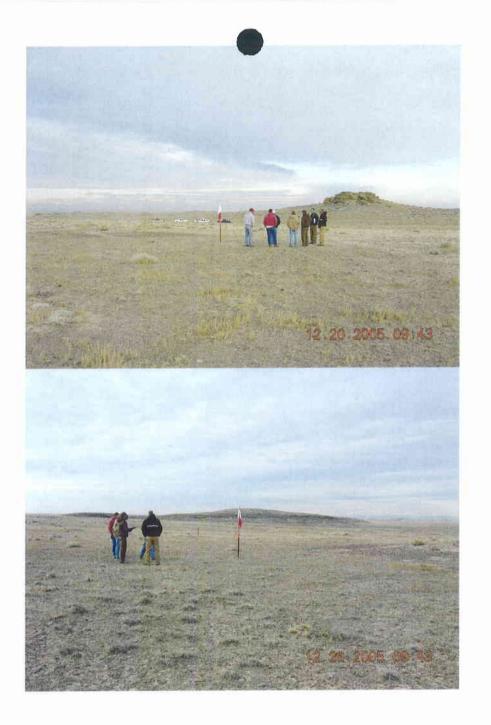
For Reserve and C	onsite Pit biner Requ.	rements
Site-Specific Factors	Ranking	Site Ranking
Distance to Groundinton (foot)		
Distance to Groundwater (feet) >200	0	
100 to 200	5	
75 to 100	10	
25 to 75	1.5	
<25 or recharge area	20	5
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200 < 100	15 20	0
< 100	20	
Distance to Nearest Municipal		
Well (feet) >5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	0
Distance to Other Wells (feet)	0	
>1320 300 to 1320	10	
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability	10	20
High permeability	20	_20
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid containing significant levels of	15	
hazardous constituents	20	5
Drill Cuttings	•	
Normal Rock Salt or detrimental	0 10	0
Sait of declimental	10	
Annual Precipitation (inches)		
<10 10 to 20	0 5	
>20	10	0
266 who 2 Parcel and		
Affected Populations <10	0	
10 to 30	6	
30 to 50	8	
>50	10	0
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	_
Present	15	0

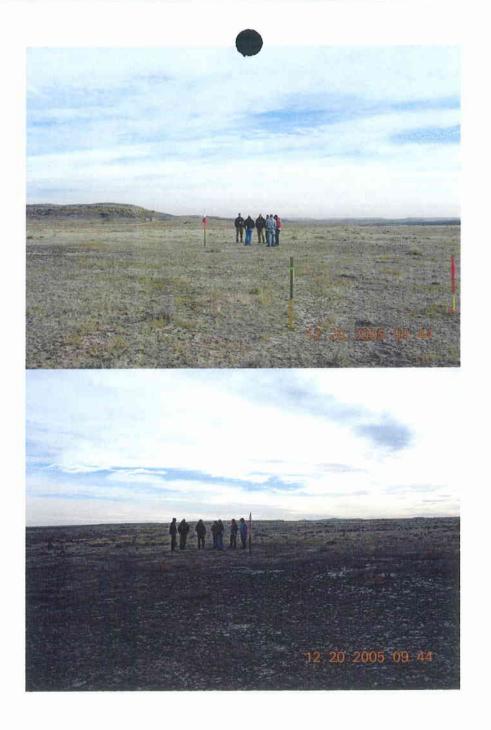
Final Score 30 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

December 1, 2005

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2005 Plan of Development Natural Buttes Unit Uintah

County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Natural Buttes Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-37431 NBU 1021-18A Sec 18 T10S R21E 0489 FNL 0599 FEL 43-047-37432 NBU 1021-18B Sec 18 T10S R21E 0544 FNL 2094 FEL 43-047-37433 NBU 1021-21M Sec 21 T10S R21E 0839 FSL 0834 FWL 43-047-37434 NBU 1021-21O Sec 21 T10S R21E 0901 FSL 1640 FEL 43-047-37435 NBU 1021-21I Sec 21 T10S R21E 2121 FSL 0920 FEL 43-047-37436 NBU 1021-21J Sec 21 T10S R21E 2171 FSL 1842 FEL 43-047-37437 NBU 1021-21K Sec 21 T10S R21E 1914 FSL 2150 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc:

File – Natural Buttes Unit Division of Oil Gas and Mining

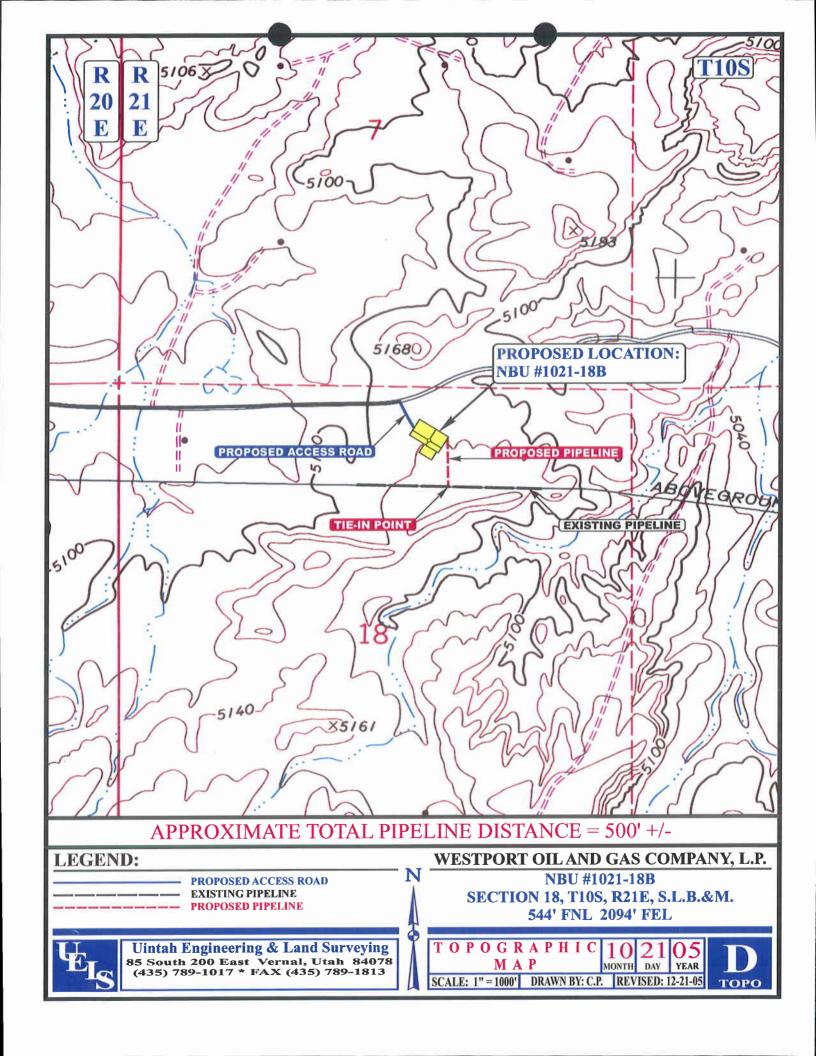
Central Files Agr. Sec. Chron Fluid Chron Form 9

STATE OF UTAH

DEPAR	TIMENT OF NATURAL RESOU	IKCES	
DIV	ISION OF OIL, GAS AND MINII	NG	6. Lease Designation and Serial Number
			UTU-02270-A
			7. Indian Allottee or Tribe Name
	FICES AND REPORTS OF		
	I new wells, deepen existing wells, or to reenter		8. Unit or Communitization Agreement
	PLICATION FOR PERMIT for such proposals		NATURAL BUTTES
1. Type of Well			Well Name and Number
Oil X Gas Well	Other (specify)	NBU 1021-18B	
2. Name of Operator			10. API Well Number
WESTPORT OIL & GAS COM	IPANY, L.P.		
Address of Operator		4. Telephone Number	11. Field and Pool, or Wildcat
368 SOUTH 1200 EAST, VEI	RNAL, UTAH 84078	435-781-7060	NATURAL BUTTES
Location of Well			
, •	FNL 2094' FEL	•	UINTAH
QQ, Sec, T., R., M : NWN	E SEC 18-T10S-R21E	State :	UTAH
2. CHECK APPROF	PRIATE BOXES TO INDICATE	NATURE OF NOTICE	, REPORT, OR OTHER DATA
NOTICE	OF INTENT		SSEQUENT REPORT
(Submit i	n Duplicate)	(Sub	omit Original Form Only)
Abandonment	New Construction	Abandonment	* New Construction
Casing Repair	Pull or Alter Casing	Casing Repair	Pull or Alter Casing
X Change of Plans	Recompletion	Change of Plar	ns Shoot or Acidize
Conversion to Injection	Shoot or Acidize	Conversion to	
≓		l 	
Fracture Treat	Vent or Flare	Fracture Treat	Water Shut-Off
Multiple Completion	Water Shut-Off	Other	
Other			
		Date of Work Completion	
pproximate Date Work Will Start _	WHEN APPROVED		
			Completions and Recompletions to different reservoirs
		on WELL COMPLETION OR RECOMPLETION AND LOG form. * Must be accompanied by a cement verification report.	
	NETED ODERATIONS (OLD III and		
	rtical depths for all markers and zones pertine		ates. If well is directionally drilled, give subsurface
PERATOR REQUESTS PERM	MISSION TO RE-ROUTE THE PI	PELINE AS DISCUSSE	D AT THE ONSITE.
•	ACHED TOPO D FOR THE NEW		

14. I hereby certify t	hat the foregoing is true and correct.		**************************************	<u></u>	
Name & Signature	DEBRA DOMENICI Jalia Chialina	Title	ASSOC. ENV. ANALYST	Date _	12/27/05
(State Use Only)			RE	CEN	VED

JAN 03 2006



From: Ed Bonner
To: Whitney, Diana
Date: 1/10/2006 9:55:42 AM
Subject: Re: Wells clearance

Diana.

Please be advised that the following wells are SITLA surface, Federal mineral and will require clearence from Kurt Higgins:

```
Westport O&G Co
                 NBU 1021-18A
Westport O&G Co
                 NBU 1021-18B
Westport O&G Co
                 NBU 1021-21M
Westport O&G Co
                      NBU 1021-210
Westport O&G Co
                 NBU 1021-21I
Westport O&G Co
                 NBU 1021-21J
Westport O&G Co
                 NBU 1021-21K
Westport O&G Co
                 Hatch 923-13C
```

Thanks, Ed

>>> Diana Whitney 12/27/05 11:36 AM >>>

Hi Ed.

Do you have a wells clearance for the following wells

```
Sent to Sitla on
Westport O&G Co
                      NBU 1021-18A
                                            12/1/2005
Westport O&G Co
                      NBU 1021-18B
                                            12/1/2005
Westport O&G Co
                      NBU 1021-21M
                                                    12/1/2005
                      NBU 1021-210
                                                    12/1/2005
Westport O&G Co
                                            12/1/2005
Westport O&G Co
                      NBU 1021-21I
                      NBU 1021-21J
Westport O&G Co
                                            12/1/2005
                      NBU 1021-21K
                                            12/1/2005
Westport O&G Co
                             N Horseshoe 7-16-6-21
                                                           12/1/2005
Houston Expl Co
Houston Expl Co
                             N Horseshoe 9-16-6-21
                                                           12/1/2005
Houston Expl Co
                             N Horseshoe 15-16-6-21
                                                           12/1/2005
                            N Horseshoe 11-16-6-21
                                                           12/1/2005
Houston Expl Co
                                                           12/1/2005
Houston Expl Co
                             N Horseshoe 1-16-6-21
Houston Expl Co
                             N Walker Hollow 11-36-6-23 12/7/2005
                             N Walker Hollow 13-36-6-23 12/7/2005
Houston Expl Co
                             N Walker Hollow 15-36-6-23 12/7/2005
Houston Expl Co
                      State 6-2-14-22
                                                    10/31/2005
Summit Oper LLC
                                                    10/31/2005
Summit Oper LLC
                      State 2-2-14-22
                      Uteland St 43-2-10-18 10/31/2005
Gasco Production Co
                      Uteland St 23-2-10-18 10/31/2005
Gasco Production Co
                      Little Boy 1
                                            11/9/2005
Colorado-Utah Natural
Colorado-Utah Natural
                      Little Bov 2
                                            11/9/2005
Houston Expl Co
                            N Horseshoe 3-16-6-21 11/18/2005
                                                    10/20/2005
Summit Oper LLC
                      State 4-2-14-22
Summit Oper LLC
                      State 13-2-14-22
                                            10/20/2005
Pendragon Enery
                      State 9-16-10-18
                                            10/3/2005
Westport O&G Co
                      NBU 1022-19J
                                            10/3/2005
```



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 12, 2006

Westport Oil & Gas Company, LP 1368 South 1200 East Vernal, UT 84078

Re: Natural Buttes Unit 1021-18B Well, 544' FNL, 2094' FEL, NW NE, Sec. 18, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37432.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:	Westport Oil & Gas Company, LP Natural Buttes Unit 1021-18B 43-047-37432			
Well Name & Number				
API Number:				
Lease:	UTU-02270-A			
Location: <u>NW NE</u>	Sec. 18	T. 10 South	R. 21 East	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
- 6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Form 3160-3 (August 1999)

NDV 2 3 2005

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

5. Lease Serial No.

UTU-02270-A

BUREAU OF LAND MANAGEMENT

UNITED STATES DEPARTMENT OF THE INTERIOR

APPLICATION FOR PERMIT T	O DRILL OR REEN	NTER	6. If Indian, Allottee or Trib	e Name
la. Type of Work: X DRILL RE	ENTER		7. If Unit or CA Agreement	
			NATURAL BU	
		ı	8. Lease Name and Well No).
b. Type of Well: Oil Well X Gas Well Other	Single Zone X	Multiple Zone	NBU 1021-	18B
2. Name of Operator			9. API Well No.	
WESTPORT OIL & GAS COMPANY L.P.			43-047-374	132
3A. Address	3b. Phone No. (include area c	ode)	10. Field and Pool, or Explo	ratory
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078	(435) 781-	7060	NATURAL BU	JTTES
4. Location of Well (Report location clearly and in accordance with	any State requirements.*)		11. Sec., T., R., M., or Blk, a	ınd Survey or Area
At surface NWNE 544' FNL 2094' FEL			SEC 18-T10S-	R21E
At proposed prod. Zone				
14. Distance in miles and direction from nearest town or post office	*		12. County or Parish	13. State
12.8 MILES SOUTHEAST OF OURAY, UTAH			UINTAH	UT
5. Distance from proposed* location to nearest property or lease line, ft. 544'	16. No. of Acres in lease	17. Spacing Unit dec	dicated to this well	
property or lease line, ft. 544' (Also to nearest drig. unit line, if any)	2167.03		40	•
8. Distance from proposed location* to nearest well drilling completed REFER TO	19. Proposed Depth	20. BLM/BIA Bond	No. on file	
8. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. TOPO C	9700'		CO-1203	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work w	ill start*	23. Estimated duration	
5114.7' GL	<u> </u>	OVAL	TO BE DETERN	MINED
	24. Attachments			
The following, completed in accordance with the requirements of On	shore Oil and Gas Order No. 1,	shall be attached to this	s form:	

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Sigr	ature .			Name (Printed/Typed)	Date
		ella Demen	ia.	DEBRA DOMENICI	2/16/2006
Title					
		- 11	ABSOCIAT	E ENVIRONMENTAL ANALYST	

Name (Printed/Typed)

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY MAR 2 4 2006

CM, CF OIL, GAS & MINING





UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Westport Oil & Gas Co. Location: NWNE, Sec 18, T10S, R21E

Well No: NBU 1021-18B Lease No: UTU-02270-A

170 South 500 East

API No: 43-047-37432 Agreement: Natural Buttes WS MV

Office: 435-781-4490 Cell: 435-828-4470 Matt Baker Petroleum Engineer: Cell: 435-828-7875 Michael Lee Office: 435-781-4432 Petroleum Engineer: Office: 435-781-4502 Cell: 435-828-3913 Supervisory Petroleum Technician: Jamie Sparger Cell: 435-828-4029 Paul Buhler Office: 435-781-4475 **Environmental Scientist:** Office: 435-781-4484 **Environmental Scientist:** Karl Wright Holly Villa Office: 435-781-4404 Natural Resource Specialist: Office: 435-781-4476 Natural Resource Specialist: Melissa Hawk After Hours Contact Number: 435-781-4513 Fax: 435-781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Holly Villa)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Holly Villa)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Jamie Sparger)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.

BOP & Related Equipment Tests (Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure tests.

First Production Notice - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

COAs: Page 2 of 6 Well: NBU 1021-18B

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Adhere to the Conditions of Approval attached to the APD Approval from the State of Utah Division of Oil, Gas, & Mining for state surface.

COAs: Page 3 of 6 Well: NBU 1021-18B

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. None.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- 1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- 2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- 3. <u>Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.</u>
- 4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

- 5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
- 6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior

COAs: Page 4 of 6 Well: NBU 1021-18B

approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future

COAs: Page 5 of 6 Well: NBU 1021-18B

meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

- 11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- 12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day

COAs: Page 6 of 6 Well: NBU 1021-18B

period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2 CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:			1/6/2006		
FROM: (Old Operator):	TO: (New O	erator):			
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-M		Gas Onsho	re, LP	
1368 South 1200 East	1368 S	outh 1200	East		
Vernal, UT 84078	Vernal, UT 84078				
Phone: 1-(435) 781-7024	Phone: 1-(435)	781-7024			
CA No.	Unit:	N	ATURAL I	BUTTES	UNIT
WELL NAME SEC TWN RNG	API NO	ENTITY	LEASE	WELL	WELL
l 9,		NO	TYPE	TYPE	STATUS
OPERATOR CHANGES DOCUMENTATION					
Enter date after each listed item is completed					
1. (R649-8-10) Sundry or legal documentation was received from the	FORMER ope	rator on:	5/10/2000	5	
2. (R649-8-10) Sundry or legal documentation was received from the	NEW operator	on:	5/10/2000	5	
3. The new company was checked on the Department of Commerce	e, Division of Co	orporation	s Database	on:	3/7/2006
4a. Is the new operator registered in the State of Utah: YES	Business Numb	er:	1355743-01	81	
4b. If NO , the operator was contacted contacted on:	_			_	
5a. (R649-9-2)Waste Management Plan has been received on:	IN PLACE				
5b. Inspections of LA PA state/fee well sites complete on:	n/a	3 LA well	s & all PA v	vells tran	sferred
5c. Reports current for Production/Disposition & Sundries on:	ok	•			
6. Federal and Indian Lease Wells: The BLM and or the I	BIA has appro	ved the n	nerger, na	me chan	ge,
or operator change for all wells listed on Federal or Indian leases of	on:	BLM	3/27/2000	BIA	not yet
7. Federal and Indian Units:					
The BLM or BIA has approved the successor of unit operator for	r wells listed on:		3/27/2006		
8. Federal and Indian Communization Agreements ("	CA"):				
The BLM or BIA has approved the operator for all wells listed w			n/a		
	ivision has appro		-	isfer of A	uthority to
Inject, for the enhanced/secondary recovery unit/project for the wa	ater disposal wel	ll(s) listed o	on:		
DATA ENTRY:					
1. Changes entered in the Oil and Gas Database on:	5/15/2006				
2. Changes have been entered on the Monthly Operator Change Sp			5/15/2006	_	
3. Bond information entered in RBDMS on:4. Fee/State wells attached to bond in RBDMS on:	5/15/2006	-			
4. Fee/State wells attached to bond in RBDMS on:5. Injection Projects to new operator in RBDMS on:	5/16/2006	-			
6. Receipt of Acceptance of Drilling Procedures for APD/New on:	-	n/a	Name Cha	nge Only	
BOND VERIFICATION:					
Federal well(s) covered by Bond Number:	CO1203				
2. Indian well(s) covered by Bond Number:	RLB0005239	-			
3. (R649-3-1) The NEW operator of any fee well(s) listed covered by		-	RLB000523	36	
a. The FORMER operator has requested a release of liability from the	•	n/a	rider adde		
The Division sent response by letter on:			_		
LEASE INTEREST OWNER NOTIFICATION:		-			
4. (R649-2-10) The FORMER operator of the fee wells has been cont	tacted and inform	ned by a let	tter from the	Division	
of their responsibility to notify all interest owners of this change on		5/16/2006			
COMMENTS:					

4 Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

_ 			/A 1 A		5. Lease Serial No.	
	SUNDRY NOTICES AND REPORTS ON WELLS			MULTIPLE LEASES		
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.			7 i.	6. If Indian, Allottee or Tr	ibe Name	
SUBMIT IN TRIPL	ICATE – Other instruc	tion	s on reverse	side	7. If Unit or CA/Agreemen	nt, Name and/or No.
I. Type of Well						
Oil Well X Gas Well	Other			····	8. Well Name and No.	
2. Name of Operator		•			MUTIPLE WELL	S
KERR-McGEE OIL & GAS C					9. API Well No.	
3a. Address			Phone No. (include	L		
4. Location of Well (Footage, Sec.,			781-7024		10. Field and Pool, or Explo	oratory Area
4. Location of Well (Fundinge, Sec.,	1., K., M., or Survey Description)].	11 0	
SEE ATTACHED					11. County or Parish, State	
					UINTAH COUNTY, L	JTAH
	ROPRIATE BOX(ES) TO IN	DICA	ATE NATURE C	OF NOTICE, RE	EPORT, OR OTHER DAT	ГА
TYPE OF SUBMISSION			TYP	E OF ACTION		
Notice of Intent	Acidize [D	еереп	Production (Start/Resume) Water 5	Shut-Off
Subsequent Report	Alter Casing	=	acture Treat	Reclamation		* ·
Subsequent Report	Casing Repair Change Plans	=	ew Construction ug and Abandon	Recomplete		CHANGE OF
Final Abandonment Notice	Convert to Injection		ug and Abandon ug Back	∏ Temporarily Water Dispose		ATOR
Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fin-	operations. If the operation results bandonment Notices shall be filed	ınan	multiple completion :	or recompletion in	a new interval a Form 2160 4	aball ba Cl_ 4
PLEASE BE ADVISED THAT OPERATOR OF THE ATTAC KERR-McGEE OIL & GAS C	CHED WELL LOCATION	18. 1	EFFECTIVE J	ANUARY 6, 2	2006.	RECEIVED
OF THE LEASE(S) FOR THE	E OPERATIONS COND	UCT	ED UPON I F	ASE LANDS	ROND COVERAGE	MAY 1 0 2006
IS PROVIDED BY STATE O	F UTAH NATIONWIDE I	BON	ID NO. RLB00	05237.	ם באינוסט פיוסט. ת	IV OF OIL GAS & MINING
	ONO = C0/203		AP:	PROVEL	51/6/06	IV. OF OIL, GAS & MININO
BIA B	OND = RLB 000	50	239 (arlene,	Russell	
14. I hereby certify that the foregoing	g is true and correct		Divis	lon of Oll, C	as and Mining	
Name (Printed/Typed)		Tit			ingineering Technicia	u .
RANDY BAYNE		 	RILLING MANA	AGER		
Kanky Sayne		Da Ma	y 9, 2006			
	THIS SPACE F	OR F	EDERAL OR ST	ATE USE		
Approved by			Title		Date	
Conditions of approval, if any, are attached certify that the applicant holds legal or equit which would entitle the applicant to conduct	table title to those rights in the subject	rant or t lease	Office	248.4		

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3 160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0135 Expires Jnovember 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

SUNDRY NOTICES AND REPORTS ON WELLS

	Use Form 3160-3 (APD)			6. If Indian, Allottee or Tribe	Varne
SUBMIT IN TRIPL	ICATE – Other instru	ctions on rev	erse side	7. If Unit or CA/Agreement, N	ame and/or No.
I. Type of Well					
Oil Well X Gas Well	Other .			8. Well Name and No.	
2. Name of Operator				MUTIPLE WELLS	
WESTPORT OIL & GAS CO	MPANY L.P.			9. API Well No.	
3a. Address		3b. Phone No.	include area code)		
1368 SOUTH 1200 EAST V		(435) 781-70	24	10. Field and Pool, or Explorato	ry Area
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description	n)			
055 47740450				11. County or Parish, State	
SEE ATTACHED				UINTAH COUNTY, UTA	н
12. CHECK APP	ROPRIATE BOX(ES) TO I	NDICATE NAT	URE OF NOTICE	E, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION			TYPE OF ACT	ION	
Notice of Intent	Acidize	Deepen	Produc	tion (Start/Resume)	Off
_	Alter Casing	Fracture Trea	_	· · · · · · · · · · · · · · · · · · ·	
X Subsequent Report	Casing Repair	New Construe		plete 👿 Other CHA	•
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Aba	= '	rarily Abandon OPERATO	R
13. Describe Proposed or Completed Oper	· – ·	Plug Back		Disposal	
ronowing completion of the myoryed	perations. If the operation result bandonment Notices shall be filed at inspection. DO6, WESTPORT OIL & THE ATTACHED WELL	is in a multiple com I only after all requ GGAS COMPA LOCATIONS	pletion or recompleti rements, including r ANY L.P., HAS TO KERR-Mc	GEE OIL & GAS	1 L. CI_1
	APPR	OVED 3	5/6/06	RECEI	√ED
	$\mathcal{L}a$	rlove Ri	issell		
	Division	of Oil, Gas an	d Mining	MAY 1 0	2006
	Dariene F	cussell, Engine	ering Technic	lan DIV OF OU OAS	0. ******
14. I hereby certify that the foregoing	s is true and correct			DIV OF OIL GAS	* MINING
Name (Printed/Typed)		Title			
BRAD LANEY Signature			ING SPECIAL	IST	
orginature .		Date May 9, 2006	3		-
	THIS SPACE	FOR FEDERAL			
Approved by		Title		Date	
Olack January				5-9-06	
Conditions of approval, if any, are attacked certify that the applicant holds legated equit which would entitle the applicant to conduct	able title to those rights in the subje	arrant or Office			
Title 18 U.S.C. Section 1001, make false, fictitious or fraudulent statemer	it a crime for any person know	vingly and willfull matter within its ju	y to make to any durisdiction.	lepartment or agency of the United S	lates any



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Colorado State Office 2850 Youngfield Street Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM) 3106 COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. 1999 Broadway, Suite 3700 Denver, CO 80202

Oil & Gas

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303,239,3768.

/s/Martha L. Maxwell Martha L. Maxwell Land Law Examiner Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:
MMS MRM, MS 357B-1
WY, UT, NM/OK/TX, MT/ND, WY State Offices
CO Field Offices
Wyoming State Office
Rider #1 to Bond WY2357

Rider #1 to Bond WY2357 Rider #2 to Bond WY1865 Rider #3 to Bond WY1127



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov

IN REPLY REFER TO: 3106 (UT-922)

March 27, 2006

Memorandum

To:

Vernal Field Office

From:

Chief, Branch of Fluid Minerals

Subject:

Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

CC:

MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225

State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114

Teresa Thompson

Joe Incardine

Connie Seare

Dave Mascarenas

Susan Bauman

MAR 2 8 2006

TOLOFOL, CAO 2 LINE D

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES	FORM 9
DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02270-A
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL GAS WELL OTHER	8. WELL NAME and NUMBER: NBU 1021-18B
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP	9. API NUMBER: 4304737432
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 544'FNL, 2094'FEL	COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 21E	STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION	
NOTICE OF INTENT	REPERFORATE CURRENT FORMATION
(Submit in Duplicate)	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING PLUG AND ABANDON	VENT OR FLARE
SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only)	WATER DISPOSAL
Date of work completion: CHANGE WELL STATUS PRODUCTION (START/RESUME)	WATER SHUT-OFF
COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE	OTHER:
CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volume	es, etc.
THE OPERATOR REQUESTS AUTHORIZATION TO MOVE THE LOCATION FOOTAGES 560'FNL, 2104'FEL. THE OPERATOR HAD TO MOVE THE CENTER STAKE 40' FROM THALSO, CHANGED THE PROPOSED ACCESS ROAD FROM 340' +/- TO 350' +/	
THE OPERATOR HAS ALSO RE-ROUTED THE PIPELINE FROM 994' +/- TO 500' +/- GOI PIPELINE.	NG SOUTH TO AN EXISTING
REFER TO THE ATTACHED REVISED PLATS.	
120253X 39.953632	
0202507	RECEIVED
44233504 -109.592233	orp 4.6.2000
742000	SEP 1 8 2006
DIV.	OF OIL, GAS & MINING
NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY A	NALYST
SIGNATURE ////////////////////////////////////	
The second secon	pproved by the
	Jtah Division of , Gas and Mining

(See Instructions on Reverse Side)

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-18B SECTION 18, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 350' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.8 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-18B

LOCATED IN UINTAH COUNTY, UTAH SECTION 18, T10S, R21E, S.L.B.&M.



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



LOCATION					РНОТО
TAKEN BY: D.K.	DRAWN BY: C.P	REV	ISED: (09-07-06	

T10S, R21E, S.L.B.&M. Kerr-McGee Oil & Gas Onshore LP Well location, NBU #1021-18B, located as shown in N88*31'W - 2674.98' (G.L.O.) N88'21'49"W - 2657.83' (Meas.) the NW 1/4 NE 1/4 of Section 18, T10S, R21E, S.L.B.&M. Uintah County, Utah. 1977 Brass Cap, 560, Brass Cap. Pile of Stones 1.0' High, Pile of Stones Lot 5 NBU #1021-18B (G.L.O.) BASIS OF ELEVATION 2104 Elev. Graded Ground = 5113' TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG 2775.30 PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET. BASIS OF BEARINGS N00.42'W BASIS OF BEARINGS IS A G.P.S. OBSERVATION. Lot 6 18 1977 Brass Cap, 0.5' High, Pile of Stones (C.L.O.) Lot 3 **,**80 2665.(S C A L FAMILIAN THIS IS TO CERTIFY THAT THE N00.29'W FIELD NOTES OF ACTUAL SURVEY SUPERVISION AND THAT THE SAM Lot 4 BEST OF MY KNOWLEDGE AND REVISED: 09-06-06 C.H. N89'50'W - 5331.48' (G.L.O.) UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017 LEGEND: (NAD 83) SCALE LATITUDE = 39.57'13.05'' (39.953625) DATE SURVEYED: DATE DRAWN: 1" = 1000'10-17-05 LONGITUDE = $109^{\circ}35'34.54"$ (109.592928) 10-27-05 = 90° SYMBOL PARTY REFERENCES (NAD 27)

LATITUDE = 39.57.13.18" (39.953661)

LONGITUDE = 109'35'32.06" (109.592239)

D.K.

WEATHER

B.B.

WARM

K.G.

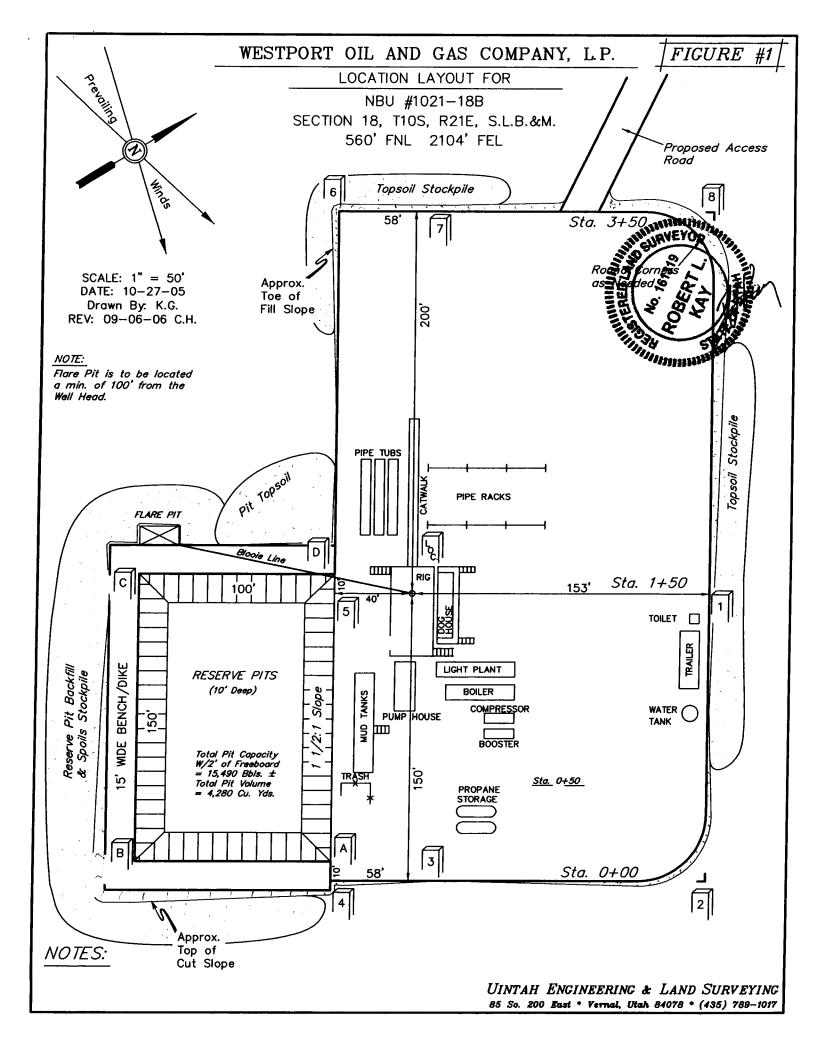
G.L.O. PLAT

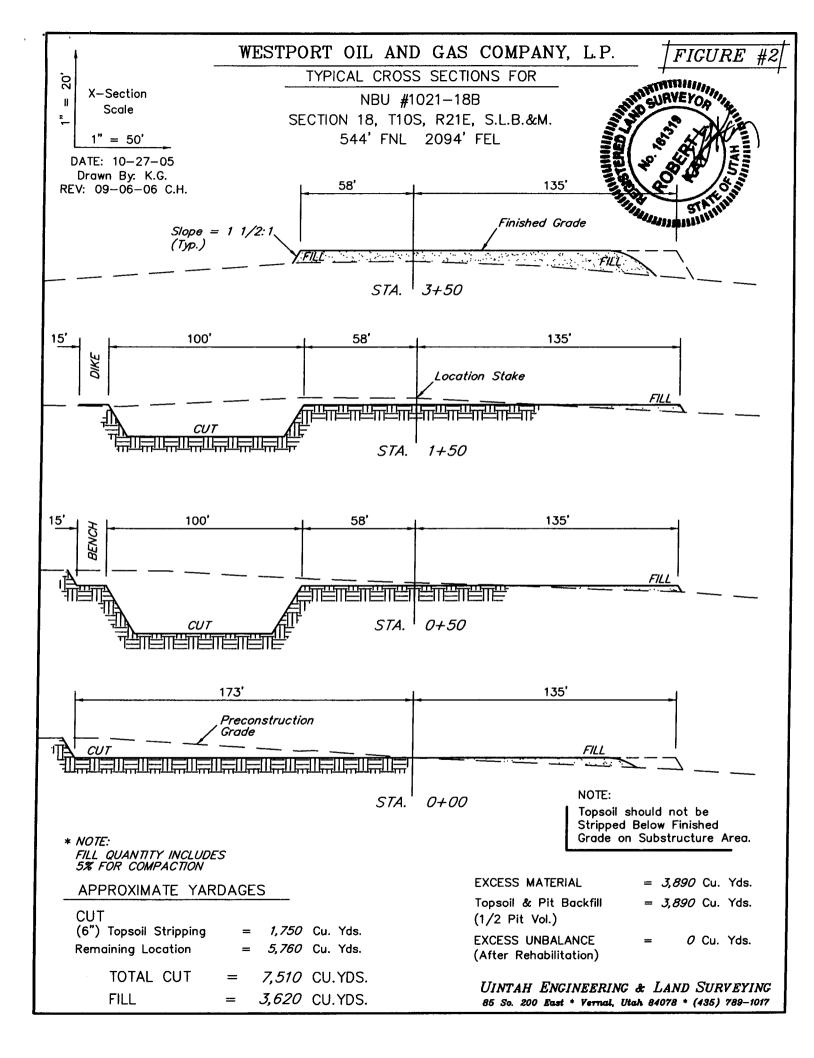
Kerr-McGee Oil

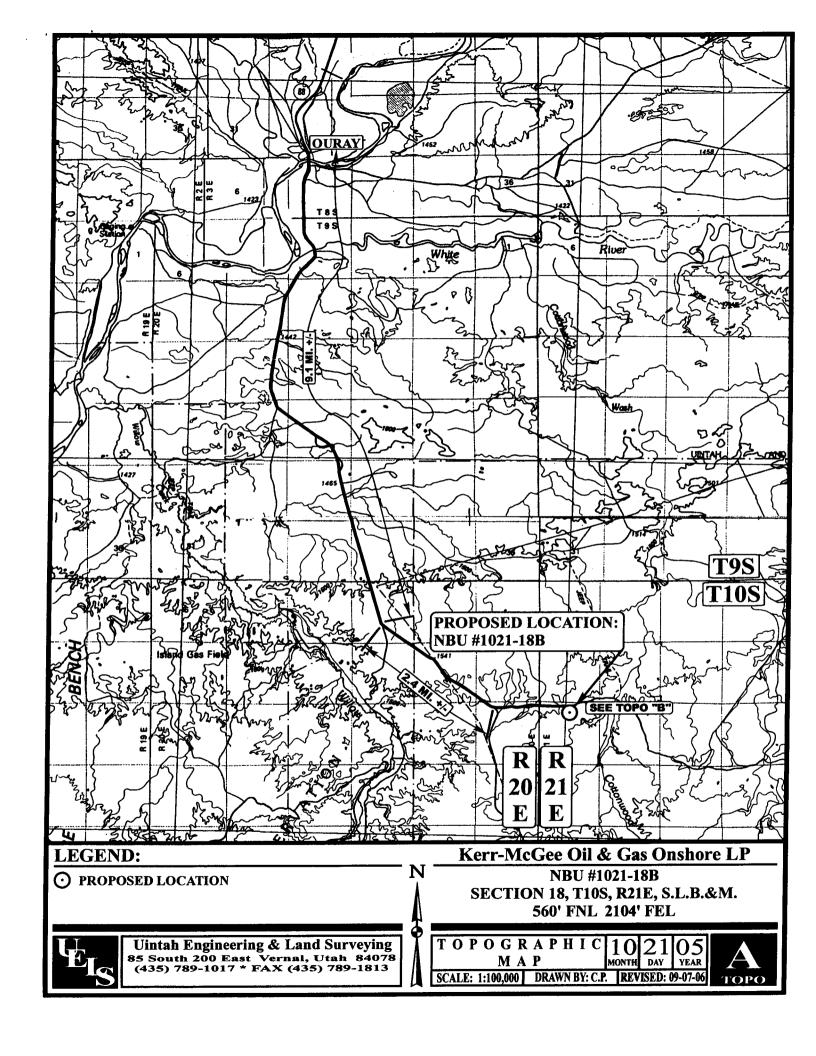
& Gas Onshore LP

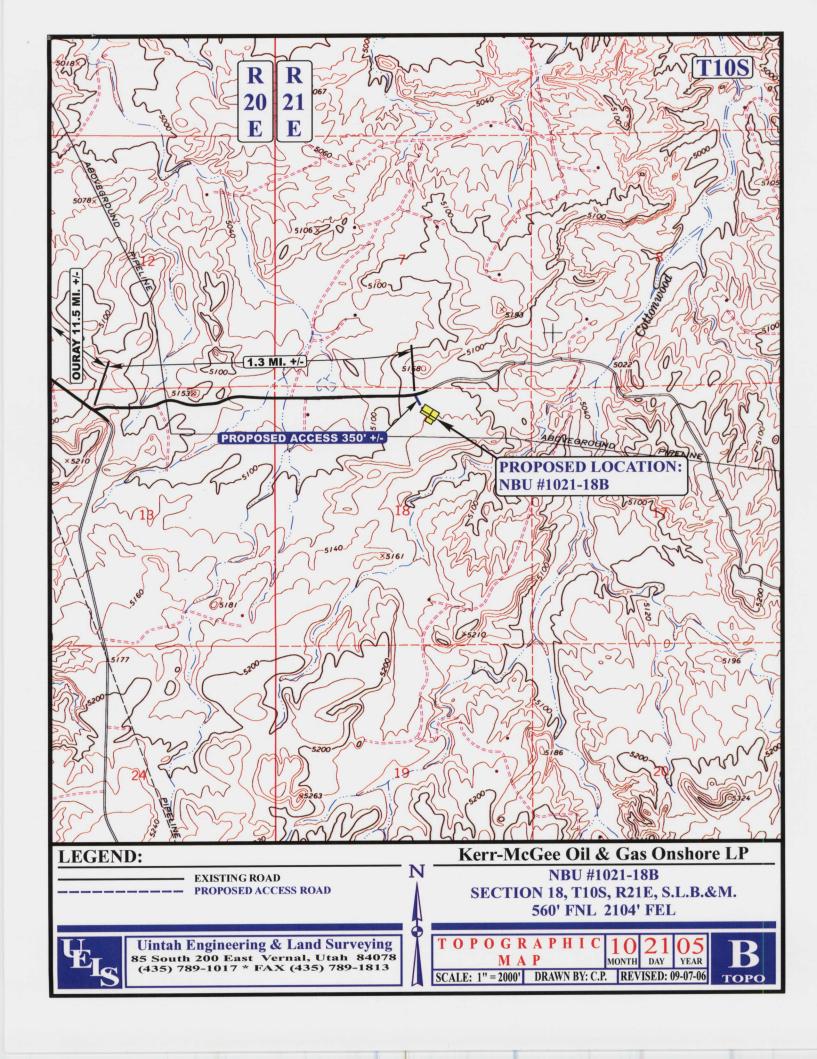
= PROPOSED WELL HEAD.

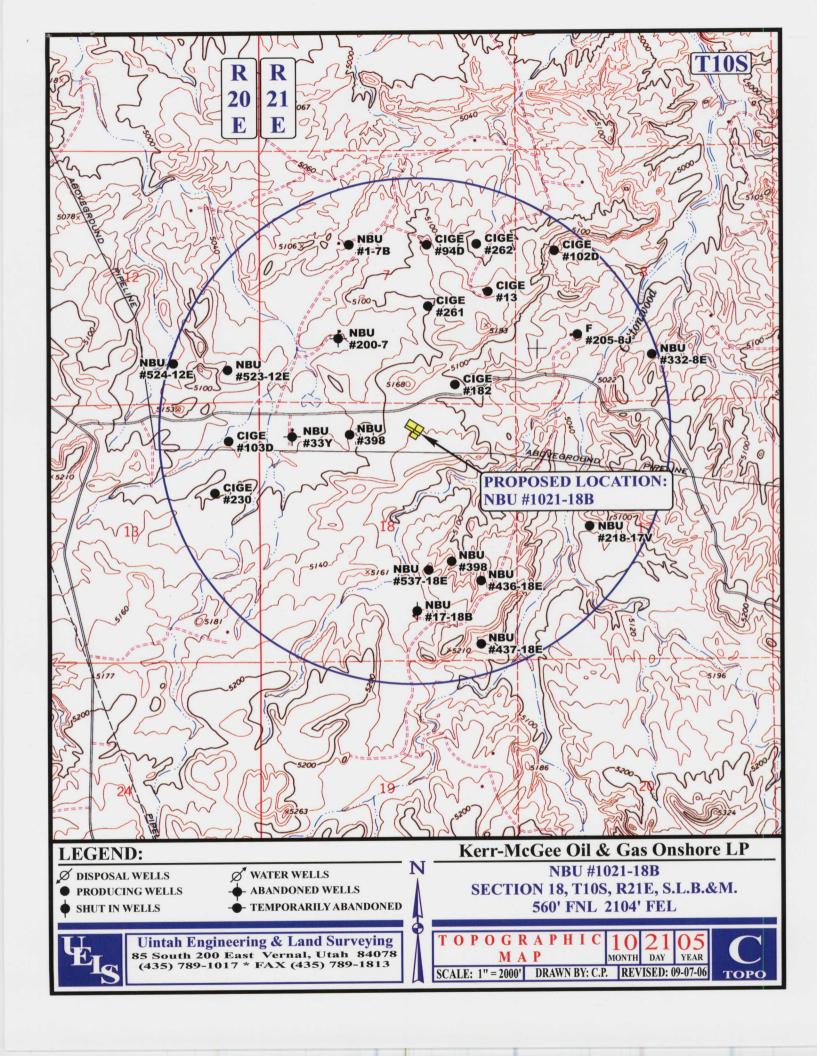
= SECTION CORNERS LOCATED.

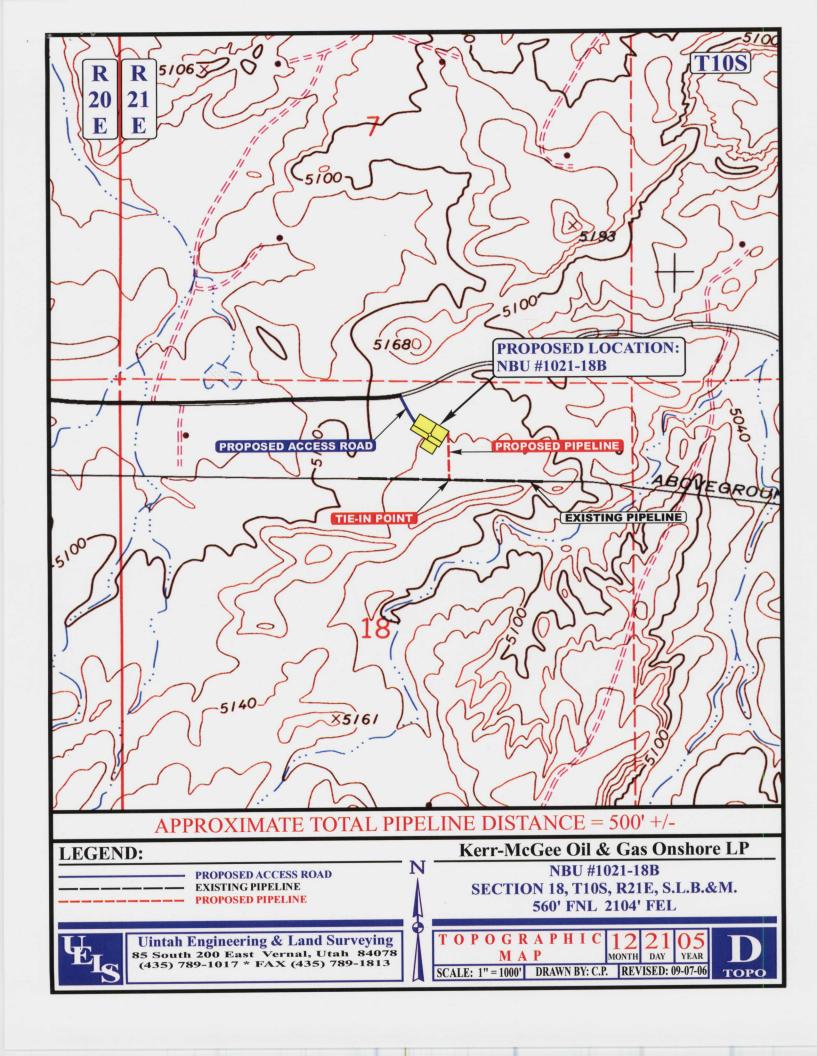












Kerr-McGee Oil & Gas Onshore LP

NBU #1021-18B PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH **SECTION 18, T10S, R21E, S.L.B.&M.**



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY



PHOTO: VIEW OF PIPELINE AT LOCATION

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

MONTH DAY YEAR

РНОТО

TAKEN BY: D.K. DRAWN BY: C.P. REVISED: 09-07-06

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

FORM 6

	ENTITY ACTION FORM				
Operator:	KERR McGEE OIL & GAS ONSHORE LP	Operator Account Number: N 2995			
Address:	1368 SOUTH 1200 EAST	Operator Account Nations. 14			
	CITY VERNAL				
	state UT zip 84078	Phone Number: (435) 781-7024			

۸,

NBU 1021-18B					Rng	County		
150 1051-105		NWNE	18	10\$	21E	UINTAH		
Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date			
99999	2900	1	12/7/2006		12/1	1/13/06		
_	Number 99999	Number Number 99999 2900	Number Number 99999 2900 1	Number Number 99999 2900 12/7/2000	Number Number 99999 2900 12/7/2006	Number Number Eff 99999 2900 12/7/2006 12///2006		

Well 2

API Number Well Name Rng QQ. Sec Twp County GLEN BENCH 822-22F 4304735988 22 8\$ SENW 22E **UINTAH** Action Code **Current Entity New Entity Spud Date Entity Assignment** Number Number **Effective Date** 99999 12/8/2006 06 Comments: WSMVD MIRU PETE MARTIN BUCKET RIG.

SPUD WELL LOCATION ON 12/08/2006 AT 0900 HRS.

API Number	Well Name		90	Sec	Twp	Rng	County	
Action Code	Current Entity Number	New Entity Number			ie	Entity Assignmen Effective Date		
mments:								

ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-easign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

	• •	
	TO EARLENE RUSSELL	From Shoila Luchea o
(5/2000)	CO./DOPI. UTDOG IVI	CO. KMG
	Phone * (BUI) 538-5336	Phone (435) 781-7024
	Fax (801) 359-3940	Fex (495) 781-709.4

SHEILA UPCHEGO

Signature
SENIOR LAND SPECIALIST 12/11/2006
Title

Date

RECEIVED
DEC 1 1 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH

1	5. LEASE DESIGNAT UTU-02270-/	ON AND SERIAL NUMBER:			
SUNDRY	6. IF INDIAN, ALLOTT	EE OR TRIBE NAME:			
Do not use this form for proposals to drill ne	eenter plugged wells, or to	7. UNIT or CA AGREE UNIT #89100			
1. TYPE OF WELL OIL WELL		, , , , , , , , , , , , , , , , , , ,		8. WELL NAME and N NBU 1021-18	
2. NAME OF OPERATOR: KERR McGEE OIL & GAS	S ONSHORE LP			9. API NUMBER: 4304737432	
3. ADDRESS OF OPERATOR:	VERNAL STATE UT ZIP		ONE NUMBER: 135) 781-7024	10. FIELD AND POOL	
4. LOCATION OF WELL					
FOOTAGES AT SURFACE: 560'FN	NL, 2107'FEL			COUNTY: UINTA	АН
QTR/QTR, SECTION, TOWNSHIP, RANG	GE, MERIDIAN: NWNE 18 10S 2	1E		STATE:	UTAH
11. CHECK APPR	ROPRIATE BOXES TO INDICAT			RT, OR OTHER	R DATA
TYPE OF SUBMISSION		TYPE	E OF ACTION		
NOTICE OF INTENT	ACIDIZE	DEEPEN		REPERFORA	TE CURRENT FORMATION
(Submit in Duplicate)	ALTER CASING	FRACTURE TRE	EAT	SIDETRACK	TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	NEW CONSTRU	ICTION	TEMPORARI	Y ABANDON
	CHANGE TO PREVIOUS PLANS	OPERATOR CH	ANGE	TUBING REP	AIR
	CHANGE TUBING	PLUG AND ABA	NDON	☐ VENT OR FL	ARE
✓ SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BACK		WATER DISP	OSAL
(Submit Original Form Only)	CHANGE WELL STATUS	PRODUCTION (START/RESUME)	WATER SHU	T-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	RECLAMATION	OF WELL SITE	OTHER: W	ELL SPUD
	CONVERT WELL TYPE		DIFFERENT FORMATION		
	OMPLETED OPERATIONS. Clearly show all p				JLE 10 PIPE. CMT
	ON 12/07/2006 AT 1100 HRS.				
SHEII A LI	JPCHEGO		SENIOR LAND A	DMIN SPECIA	LIST
NAME (PLEASE PRINT)	DOMINIAT)	TITLE	12/11/2006		

(This space for State use only)

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DEC 1 8 2006

11.

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER:			
_	UTU-02270-A				
SUNDRY	SUNDRY NOTICES AND REPORTS ON WELLS				
Do not use this form for proposals to drill ne	w wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to erals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT or CA AGREEMENT NAME: UNIT #891008900A			
1. TYPE OF WELL OIL WELL	GAS WELL 🗸 OTHER	8. WELL NAME and NUMBER: NBU 1021-18B			
2. NAME OF OPERATOR: KERR McGEE OIL & GAS		9. API NUMBER: 4304737432			
3. ADDRESS OF OPERATOR:1368 SOUTH 1200 EAST	VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 560'FN QTR/QTR, SECTION, TOWNSHIP, RANG	L, 2107'FEL	COUNTY: UINTAH			
11. CHECK APPR	OPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	UTAH ORT OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION	inti, olt omelt brint			
NOTICE OF INTENT (Submit in Duplicate)	□ ACIDIZE □ DEEPEN □ ALTER CASING □ FRACTURE TREAT	REPERFORATE CURRENT FORMATION SIDETRACK TO REPAIR WELL			
Approximate date work will start:	CASING REPAIR NEW CONSTRUCTION CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TEMPORARILY ABANDON TUBING REPAIR			
SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	CHANGE TUBING PLUG AND ABANDON CHANGE WELL NAME PLUG BACK CHANGE WELL STATUS PRODUCTION (START/RESUME) COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	 VENT OR FLARE WATER DISPOSAL WATER SHUT-OFF ✓ OTHER: SET SURFACE CSG. 			
12. DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volum	nes, etc.			
SURFACE CSG. LEAD CM	RIG ON 12/13/2006. DRILLED 12 1/4" SURFACE HOLE TO 213 MT W/375 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RE 8 PPG 1.15 YIELD DOWN BACKSIDE. CMT TO SURFACE HO	TURNS TO PIT. TOP OUT W/395			
WORT.					
		RECEIVED			
		DEC 2 6 2006			
		DIV. OF OIL, GAS & MINING			

NAME (PLEASE PRINT) SHEILA UPCHEGO	_ TITLE	SENIOR LAND ADMIN SPECIALIST
SIGNATURE MINISTER MANAGEMENT	DATE	12/18/2006

(This space for State use only)

STATE OF UTAH

DEPARTMENT O DIVISION OF O	UTU-02270-A				
SUNDRY NOTICES	6. IF INDIAN, ALLOTT	EE OR TRIBE NAME:			
Do not use this form for proposals to drill new wells, significantly de	epen existing wells below cur	rrent bottom-hole dept	h, reenter plugged wells, or to	7. UNIT or CA AGREE UNIT #89100	
1. TYPE OF WELL OIL WELL GAS WE				8. WELL NAME and N NBU 1021-18	_
2. NAME OF OPERATOR:				9. API NUMBER: 4304737432	
KERR McGEE OIL & GAS ONSHORE L 3. ADDRESS OF OPERATOR:			PHONE NUMBER:	10. FIELD AND POOL	•
1368 SOUTH 1200 EAST CITY VERNAL 4. LOCATION OF WELL	STATE UT ZIP	,84078	(435) 781-7024	NATURAL B	UTTES
FOOTAGES AT SURFACE: 560'FNL, 2107'FEL				COUNTY: UINTA	АН
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWI			***	STATE:	UTAH
11. CHECK APPROPRIATE BO	XES TO INDICAT			RT, OR OTHER	RDATA
TYPE OF SUBMISSION			PE OF ACTION		
NOTICE OF INTENT		DEEPEN	TD=4.7		TE CURRENT FORMATION TO REPAIR WELL
(Submit in Duplicate) ALTER CASING		FRACTURE NEW CONS		TEMPORARI	
Approximate date work will start: CASING REPA		OPERATOR		TUBING REP	
	REVIOUS PLANS	PLUG AND		VENT OR FLA	
SUBSEQUENT REPORT CHANGE WELL		PLUG BACK		WATER DISP	
(Submit Original Form Only)			ON (START/RESUME)	☐ WATER SHU	
Date of work completion:	RODUCING FORMATIONS	_	ION OF WELL SITE	L	NAL DRILLING
CONVERT WE			TE - DIFFERENT FORMATION		PERATIONS.
12. DESCRIBE PROPOSED OR COMPLETED OPERA	TIONS. Clearly show all	pertinent details inc	cluding dates, depths, volum	nes, etc.	
FINISHED DRILLING FROM 2130' TO 9 SX PREM LITE II @11.0 PPG 3.38 YIEL DISPLACED W/149 BBLS WATER & BL JOB GOT BACK 15 BBLS CMT TO PIT. RELEASED ENSIGN RIG 83 ON 02/05/2	665' ON 02/03/20 D. TAILED CMT \ IMP PLUG W/500 SET HANGER W	07. RAN 4 1 W/1090 SX 5 OVER FINA I/75K STRING	/2" 11.6# I-80 PROI 0/50 POZ @14.3 PF L CIRC PSI OF 290	DUCTION CSG. PG 1.31 YIELD. 10 & HAD FULL	DROP PLUG & RETURNS DURING
NAME (PLEASE PRINT) SHEILA UPCHEGO		TITE	SENIOR LAND	ADMIN SPECIA	LIST
SIGNATURE MUNICIPALITY	and	DAT	e 2/7/2007		

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STATE OF UTAH

FORM 9

Ţ	5. LEASE DESIGNATION AND SERVAL NUMBER: UTU-02270-A			
SUNDRY	NOTICES AND REPORT	S ON WEL	LS	4. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	w wells, significantly deepen axisting wolls below outerals. Use APPLICATION FOR PERMIT TO DRILL			7. UNIT OF CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL				8. WELL NAME and NUMBER: NBU 1021-18B
2. NAME OF OPERATOR: KERR McGEE OIL & GAS	ONSHORE LP			5. API NUMBER: 4304737432
3. ADDRESS OF OPERATOR:		84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL	VERNAL ZIAN UT ZII	.04070	(100) /01 /02/	
FOOTAGES AT SURFACE: 560'FN	IL, 2107'FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANG			,,,,,,	STATE: UTAH
11. CHECK APPR	ROPRIATE BOXES TO INDICA			RT, OR OTHER DATA
TYPE OF SUBMISSION			YPE OF ACTION	REPERFORATE CURRENT FORMATION
NOTICE OF INTENT	ACIDIZE	DEEPEN	TDEAT	SIDETRACK TO REPAIR WELL
(Submit in Duplicate) Approximate date work will start:	ALTER CASING CASING REPAIR	MEW CONS		TEMPORARILY ABANDON
Applications date work was start.	CHANGE TO PREVIOUS PLANS	OPERATOR		TUBING REPAIR
	CHANGE TUBING	PLUG AND	ABANDON	VIENT OR FLARE
SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BACH	ς	WATER DISPOSAL
(Submit Original Form Only)	CHANGE WELL STATUS	PRODUCTION	ON (START/RESUME)	WATER SHUT-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	RECLAMAT	ION OF WELL SITE	OTHER: SQUEEZE CASING
	CONVERT WELL TYPE	RECOMPLE	TE - DIFFERENT FORMATION	CONNECTION LEAK
past few weeks. An attem	t joint. The leak was confirmed pt to run and seal the leak with a and the plan is to squeeze the le	an internal ca	sing patch failed to dent.	end down hole camera in over the completely seal the leak. The patch
NAME (PLEASE PRINT) SHEILA U	PCHEGO	ŢITI	3/10/2007	ADMIN SPECIALIST
SIGNATURE	~ jyjiwwyjo	PA1	3/18/200/	
(This space for State use only)			ol Of This	
A	cepted by the	ederal Approv	COSSAIV	
1 14	ch Division Of	ederal Appro- Action Is Ne	,	RECEIVED
O:I	Cas and MINING		0:4.1	
(\$/2000)	3 [20 0 	iructions on Reverse	sus)	MAR 1 9 2007
Date:	STORE STORES		D	IV. OF OIL, GAS (1750 and

NBU 1021-18B COMPLETION PROCEDURE

NWNE-Section 18 - T10S - R21E

Uintah County, UT February 21, 2007

ELEVATIONS:

5113' GL

5130' KB

TOTAL DEPTH:

9658'

PBTD: FC @ ~9613'

SURFACE CASING: PRODUCTION CASING:

9 5/8", 32.3# H-40 ST&C @ 2121' 4 1/2", 11.6#, I-80 LT&C @ 9658'

Marker Joint 4490+'-4510' (From cased hole logs)

TUBULAR PROPERTIES:

TUBULAR PRO	BURST	COLLAPSE	DRIFT DIA.	CAPACITIES	S
	(psi)	(psi)	(in.)	(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg		8,100	1.901"	0.00387	0.1624
4 ½" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 ½" Annulus				0.0101	0.4227

GENERAL:

Squeeze casing/connection leak @ 4510', on new well drilled Feb 2006, which is at the bottom of the marker/short joint. The leak was confirmed based on pkr test, tracer survey, and down hole camera in over the past few weeks. An attempt to run and seal the leak with an internal casing patch failed to completely seal the leak. The patch was drilled out (3/9/2007) and the plan is to squeeze the leak with cement.

PROCEDURE:

- 1. MIRU. NU and test BOP. RIH 3 7/8" mill and clean out to PBTD'. Circulate hole clean with 2% KCL. POOH.
- 2. Run a casing caliper log over marker joint interval too check for thickness.
- 3. RIH and set a plug @ 4560'.
- 4. Obtain an injection rate into casing leak (@ 4510') and squeeze based on injection rate and pressure.
- 5. RIH and drill out cmt to plug. Test casing to 500 psi. Resqueeze if necessary.
- 6. If casing test, C/O plug. POOH L/D tbg.
- 7. P/U 4 ½" 10K packer, 2 7/8" N-80 tbg (w/ slim-hole couplings). Set pkr @ 4600'. Test casing and packer to 7500 psi.
- 8. RDMO & frac well as planned down thy and using sand plugs.

RBM

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MAR 1 9 2007



Kerr-McGee Oil & Gas Onshore LP

1368 South 1200 East Vernal Utah 84078 Telephone: 435-781-7024 Fax: 435-781-7094

To:		STATE OF UTAH, DIVISION OF OIL, From: SHEILA UPCHEGO					
		GAS	& MINING				
		ATT	N: Dustin Douce	t			
	Fax:	(801)	359-3940		Pages:	3	
	Phone:	(801)	538-5281		Date:	3/19/2007	
	Re:	, , , , , , ,			CC:		
	□ Urge	nt	☐ For Revie	w ☐ Please C	omment	☐ Please Reply	☐ Please Recycle
• Comm							
Dustin,							
			ce of Intent f ze casing lea		21-18 B w	rell location. We	are in need of
If you l 7094.	nave ar	ıy q u	estions plea	se feel free to o	ontact m	ne at (435) 781-702	24 fax (435) 781-
Thanks Sheila I Senior	Upche	_	in Specialist				

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MAR 1 9 2007

STATE OF UTAH

	DEPARTMENT OF NATURAL RESCORD	LO			
	DIVISION OF OIL, GAS AND MINI	NG	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02270-A		
SUNDF	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for proposals to dr	ill new wells, significantly deepen existing wells below current al laterals. Use APPLICATION FOR PERMIT TO DRILL form	bottom-hole depth, reenter plugged wells, or to for such proposals.	7. UNIT or CA AGREEMENT NAME: UNIT #891008900A		
1. TYPE OF WELL OIL WEL			8. WELL NAME and NUMBER: NBU 1021-18B		
2. NAME OF OPERATOR:			9. API NUMBER:		
KERR McGEE OIL & GA	AS ONSHORE LP	PHONE NUMBER:	4304737432 10. FIELD AND POOL, OR WILDCAT:		
1368 SOUTH 1200 EAST	VERNAL STATE UT 200 84	1078 (435) 781-7024	NATURAL BUTTES		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 560'	FNL, 2107'FEL		COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHIP, F			STATE: UTAH		
11. CHECK AP	PROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPO	ORT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
✓ NOTICE OF INTENT	ACIDIZE	DEEPEN	REPERFORATE CURRENT FORMATION		
(Submit in Duplicate)	ALTER CASING	FRACTURE TREAT	SIDETRACK TO REPAIR WELL		
Approximate date work will start:	CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON		
	CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE	Using Repair Vent or Flare		
C OURSEOUSN'S REPORT	CHANGE TUBING	PLUG AND ABANDON	WATER DISPOSAL		
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME	PLUG BACK	WATER SHUT-OFF		
Date of work completion:	CHANGE WELL STATUS	PRODUCTION (START/RESUME) RECLAMATION OF WELL SITE	OTHER: SQUEEZE CASING		
	COMMINGLE PRODUCING FORMATIONS CONVERT WELL TYPE	RECOMPLETE - DIFFERENT FORMATION	CONNECTION LEAK		
	COMPLETED OPERATIONS. Clearly show all per				
bottom of the marker/sh past few weeks. An atte	authorization to Squeeze casing/conn fort joint. The leak was confirmed ba empt to run and seal the leak with an 7) and the plan is to squeeze the leak	sed on pkr test, tracer survey internal casing patch failed to	, and down hole camera in over the		
			RECEIVED MAR 2 1 2007		
		DIV.	OF OIL, GAS & MINING		
NAME (PLEASE PRINT) SHEILA	UPCHEGO	TITLE SENIOR LAND	ADMIN SPECIALIST		
SIGNATURE	Manyo	_{DATE} 3/19/2007			
(This space for State use only)	Accepted by the Utah Division of Oil Gas and Mining	Federal Approval Of To Action Is Necessary			

(5/2000)

NBU 1021-18B COMPLETION PROCEDURE

NWNE-Section 18 – T10S – R21E Uintah County, UT February 21, 2007

ELEVATIONS:

5113' GL

5130' KB

TOTAL DEPTH:

9658'

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Marker Joint 4490+'-4510' (From cased hole logs)

TUBULAR PROPERTIES:

	BURST	COLLAPSE	DRIFT DIA.	CAPACITIES	
	(psi)	(psi)	(in.)	(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55	7,700	8,100	1.901"	0.00387	0.1624
tbg					
4 ½" 11.6# I-80	7780	6350	3.875"	0.0155	0.6528
(See above)					
2 3/8" by 4 ½"				0.0101	0.4227
Annulus					

GENERAL:

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- 3. RIH and set a plug @ 4560'.
- 4. Obtain an injection rate into casing leak (@ 4510') and squeeze based on injection rate and pressure.
- 5. RIH and drill out cmt to plug. Test casing to 500 psi. Resqueeze if necessary.
- 6. If casing test, C/O plug. POOH L/D tbg.
- 7. P/U 4 ½" 10K packer, 2 7/8" N-80 tbg (w/ slim-hole couplings). Set pkr @ 4600'. Test casing and packer to 7500 psi.
- 8. RDMO & frac well as planned down tbg and using sand plugs.

RBM

STATE OF UTAH

		FORM 9
	5. LEASE DESIGNATION AND SERIAL N UTU-02270-A	UMBER:
	6. IF INDIAN, ALLOTTEE OR TRIBE NAM	E:
to	7. UNIT of CA AGREEMENT NAME: UNIT #891008900A	
_	8. WELL NAME and NUMBER: NBU 1021-18B	
	9. API NUMBER:	
	4304737432 10. FIELD AND POOL, OR WILDCAT:	
	NATURAL BUTTES	
	COUNTY: UINTAH	
	STATE: UTAH	
POI	RT, OR OTHER DATA	
ION	REPERFORATE CURRENT FOR SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON TUBING REPAIR VENT OR FLARE WATER DISPOSAL WATER SHUT-OFF OTHER: PRODUCTION START-UP	
olume	es, etc.	
Т 9:	00 AM.	

	ATURAL RESOURCES , GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02270-A
SUNDRY NOTICES AN	D REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen drill horizontal laterals. Use APPLICATION FO	existing wells below current bottom-hole depth, reenter plugged wells, or to OR PERMIT TO DRILL form for such proposals.	7. UNIT of CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL GAS WELL	✓ OTHER	8. WELL NAME and NUMBER: NBU 1021-18B
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304737432
3. ADDRESS OF OPERATOR:	PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT:
1368 SOUTH 1200 EAST VERNAL	State UT 21: 84078 (435) 781-7024	NATURAL BUTTES
4. LOCATION OF WELL Y FOOTAGES AT SURFACE: 560'FNL, 2107'FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE	18 10S 21E	STATE: UTAH
11. CHECK APPROPRIATE BOXE	S TO INDICATE NATURE OF NOTICE, REPO	ORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
NOTICE OF INTENT	DEEPEN	REPERFORATE CURRENT FORMATION
(Submit in Duplicate) ALTER CASING	FRACTURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON TUBING REPAIR
CHANGE TO PREVI		VENT OR FLARE
CHANGE TUBING	PLUG AND ABANDON	WATER DISPOSAL
SUBSEQUENT REPORT CHANGE WELL NAM (Submit Original Form Only)		WATER SHUT-OFF
Date of work completion:		other: PRODUCTION
CONVERT WELL TY	DUCING FORMATIONS RECLAMATION OF WELL SITE RECOMPLETE - DIFFERENT FORMATION	START LID
THE SUBJECT WELL LOCATION WAS PL	ACED ON PRODUCTION ON 04/22/2007 AT 9	9:00 AM.
NAME (PLEASE PRINT) SHEILA UPCHEGO SIGNATURE (This space for State use only)	MMM DATE 4/26/2007	ADMIN SPECIALIST
		MAY 0 1 2007
(5/2000)	(See Instructions on Reverse Side)	PM Green, GAS Sear Tro



Anadarko Petroleum Corporation 1368 S. 1200 East Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1021-18B

NWNE, SEC. 18, T10S, R21E UINTAH COUNTY, UT

DATE	Activity	Status		
08/10/06	LOCATION STARTED	Ensign 83		
08/21/06	Location Complete	Ensign 83	WOBR	
12/07/06	SET CONDUCTOR	Ensign 83	WOAR	
12/11/06	P/L IN	Ensign 83		
12/13/06	AIR RIG SPUD	Ensign 83	DRLG, WORT	
01/22/07	TD: 2130' Csg. 9 5/8" @ 2690' Move to NBU 1021-18B. Spot rig and I	MW: 8.4 RURT. Thaw rig		DSS: 0
01/23/07	TD: 2130' Csg. 9 5/8" @ 2121' Thaw lines. NU and test BOPE. PU B	MW: 8.4 HA and DP @ re		DSS: 0
01/24/07	TD: 2600' Csg. 9 5/8" @ 2121' PU BHA and DP. POOH for plugged b 1/23/06. Drill from 2155'-2600'. DA @	it. TIH and drill		DSS: 1 pud @ 2130 hrs
01/25/07	TD: 3840' Csg. 9 5/8" @ 2121' Drill from 2600'-3840'. DA @ report tim	MW: 8.6 ne.	SD: 1/23/07	DSS: 2
01/26/07	TD: 5175' Csg. 9 5/8" @ 2121' Drill and survey from 3840'-5175'. DA		SD: 1/23/07	DSS: 3
01/29/07	TD: 7510' Csg. 9 5/8" @ 2121' Drill and survey from 5175'-6671'. TFN		SD: 1/23/07 '. DA @ report time.	DSS: 6
01/30/07	TD: 8130' Csg. 9 5/8" @ 2121' Drill from 7510'-7786'. TFNB. Drill to 8	MW: 10.2 3130'. DA @ rep		DSS: 7
01/31/07	TD: 8930' Csg. 9 5/8" @ 2121' Drill from 8130'-8930'. DA @ report tin	MW: 10.7 ne.	SD: 1/23/07	DSS: 8
02/01/07	TD: 9045' Csg. 9 5/8" @ 2121' Drill from 8930'-9025'. TFNB. Wash the time.	MW: 11.0 nrough bridge @	SD: 1/23/07 3930'. FIH. Drill to 9045	DSS: 9 5'. DA @ report
02/02/07	TD: 9445' Csg. 9 5/8" @ 2121' Drill from 9045'-9445' DA @ report time	MW: 11.2 e.	SD: 1/23/07	DSS: 10

02/05/07 TD: 9665' Csg. 9 5/8" @ 2121' MW: 11.3 SD: 1/23/07 DSS: 13

Drill from 9445'-9665' T/D 2/3/07 @ 04:00, Condition hole, TOH for logs, log w/Halliburton, TIH,

condition, LDDP. Run 4.5 casing, Cement w/BJ. Set slips @ report time.

025/06/07 TD: 9665' Csg. 9 5/8" @ 2121' MW: 11.3 SD: 1/23/07 DSS: 14

Clean pits. Release rig @ 0900 hrs on 2/5. RDRT. Moving to NBU 920-25F @ report time.

02/22/07 RUN TBG

Days On Completion: 1

Remarks: 7:00 AM HSM RIG UP. (PREFORM RIG MAINTENANCE 2 HRS). PREP & TALLY 2 3/8" L-80 8RD TBG. P/U 3 7/8" MILL, BIT SUB & RIH P/U TBG OFF TRAILER TO 7300'. X-O

POOH W/ 1000'. EOT @ 6300'. SWI. SDFN

02/23/07 PRESSURE TEST CASING AND LD TBG

Days on Completion: 2

Remarks: 7:00 AM HSM CONT TO POOH W/ TBG F/ 6300'. L/D BIT & BIT SUB. NDBOP. NU FRAC VLV'S. MIRU B&C QUICK TST. FILL CSG & PSI TST TO 7500#, PSI HELD FOR 2 MIN THEN BLED OFF TO 1500#. ATTEMPT TO RE-PSI TST INJECTING INTO LEAK @ .5 BPM @ 1600#. MIRU CUTTERS. P/U 4 1/2" CIBP & RIH. SET CIBP @ 9543'. POOH. ATTEMPT TO PSI TST. INJECTING INTO LEAK @ .5 BPM +/-, @ 3000#. P/U 2ND CIBP & RIH. SET 2ND CIBP @ 9480'. POOH. ATTEMPT TO PSI TST. INJECTING INTO LEAK @ .5 BPM +/-, @

2800#. SWI. CALL FOR PKR. SDFWE.

02/26/07 ISOLATE CASING LEAK

Days On Completion: 5 Remarks: 7:00 a.m. HSM

ND FRAC VLV'S, NU BOPE. P/U 4 1/2" HD PKR, R NIPPLE, & RIH W/ TBG 160 JTS. SET PKR @ 5076', R/U PMP & LINES. FILL CSG & PSI TST ABOVE PKR TO 3000#, PSI

BLED OFF TO 1500# IN 1 MIN. BLEED PSI OFF. RLS PKR & POOH W/ 80 JTS.

SET PKR @ 2542'. FILL CSG & PSI TST ABOVE PKR TO 3000#. PSI TST HELD FOR 5 MIN.

RLS PKR & RIH W/ 40 JTS.

SET PKR @3810', FILL CSG & PSI TST TO 3000#, PSI TST HELD FOR 5 MIN. RLS PKR &

RIH W/ 20 JTS.

SET PKR @ 4443', FILL CSG & PSI TST TO 3000#, PSI TST HELD FOR 5 MIN. RLS PKR & RIH W/ 10 JTS.

SET PKR @ 4759', FILL CSG & PSI TST TO 3000#, PSI TST FAILED LOST 1500# IN 1 MIN.

INJECTING INTO LEAK @ 2800# .5 BPM +/-. RLS PKR POOH W/ 4 JTS.

SET PKR @ 4633'. FILL CSG & PSI TST TO 3000#, PSI TST FAILED. LOST 1500# IN 1 MIN.

SAME INJ RT. RLS PKR PULL 2 JTS.

SET PKR @ 4570', FILL CSG & PSI TST TO 3000#, PSI TST FAILED. LOST 1500# IN 1 MIN.

SAME INJ RT. RLS PKR & PULL 2 JTS.

SET PKR @ 4507'. FILL CSG & PSI TST TO 3000#, PSI TST HELD 5 MIN. RLS PKR & RIH W/

31.5' (1 JT).

SET PKR @ 4517'. FILL CSG & PSI TST TO 3000#, PSI TST FAILED. LOST 1500# IN 1 MIN. SAME INJ RT. X-O PMP DWN TBG. PSI TST CSG BELOW PKR TO 3000#. HELD. CSG LEAK ISOLATED IN BTM COLLAR OF SHORT JT @ 4510'. CONSULT ENGINEERING. RLS

PKR & POOH. L/D PKR. SWI.

02/27/07 PREP CSG FOR PATCH

Days On Completion: 6

Remarks: 7:00 A.M. HSM SICP 360#, BLEED PSI OFF. PREP & TALLY BHA. P/U 3 7/8" SHOE W/ MILL, 1 JT 3 7/8" WASH OVER PIPE. X-O & RIH W/ TBG TO 5042'. REV CIRC WELL CLEAN W/ 80 BBLS 2% KCL. (GAS & SMALL AMOUNT OF BLACK OIL IN RETURNS). R/D PMP & LINES. POOH. L/D BHA. PREP TO RUN CSG PATCH IN A.M. SWI. SDFD

02/28/07 SET CSG PATCH

Days On Completion: 7 Remarks: 8:00 a.m. HSM

P/U 3 1/2" SETTING TOOL. P/U 4" O.D. X 3.667" I.D. CSG PATCH. P/U STROKING ASSEMBLY & RIH 171JTS TBG & 2' TBG SUB. SPACE OUT CSG PATCH. TOP OF PATCH @ 4500', BTM OF PATCH @ 4520' (CSG LEAK @ 4510'). MIRU B&C QUICK TST. FILL TBG & BEG. TO SET PATCH. PSI UP TO 2300# TOOLS STROKED 5', CONT TO PMP, PSI UP TO 4000#. (HELD 2 MIN). BLEED PSI OFF. POOH W/ TBG. STRING WEIGHT @ 20,500#, PULL THROUGH PATCH @ 52,000# FOR 23' THEN CAME FREE. RDMO B&C QUICK TST. POOH W/ SETTING TOOLS. L/D SET TOOLS & BHA. SWI. LET STAND FOR 24 HRS.

03/01/07 PSI TEST CASING AND LAY DOWN TBG

Days On Completion: 8

Remarks: 11:00 A.M. HSM. (WAIT 24 HRS FOR EPOXY TO CURE). ND BOPE. NU FRAC VALVES. FILL CSG. MIRU B&C QUICK TEST. ATTEMPT TO PSI TST CSG & FRAC VLV'S. PSI TST FAILED. R/U RIG PMP & LINES. PMP 10 BBLS THEN CATCH PRESSURE. INJECTING INTO LEAK @ 1 BPM +/- @ 2000#. STOP PMPING. BLEED PSI OFF. WELL FLOWING. ND FRAC VLV'S, NU BOPE. MIRU CUTTERS W.L. P/U CCL & RIH TO CHECK PATCH SET DEPTH. FOUND PATCH SET @ 4499' TO 4519'. CALL FOR TRACER SURVEY LOG TRUCK & CSG SWEDGE TOOLS. SWI. SDFN

03/02/07 SWEDGING CSG

Days On Completion: 9

Remarks: 8:00 a.m. HSM SICP 850#, BLEED PSI OFF.MIRU PLS LOGGING SVC. P/U RA TRACER TOOLS & RIH. TO 4500'. RLS RADIO ACTIVE TRACER. BEGIN TO INJECT 2% KCL INTO WELL @ .75 BPM @ 1900#. LOG WELL MULTIPLE TIMES. DETERMINED FLUID LEAKING BEHIND PATCH @ 4510'. POOH RDMO PLS. P/U CSG SWEDGE, JARS, DRL COLLARS & RIH. SWEDGE CSG PATCH F/ 4500' - 4520'. W/ 3 11/16" CSG SWEAGE. POOH, W/ 2 JTS TBG. R/U PMP & LINES, ATTEMPT TO PSI TST CSG. FILL CSG & PSI UP TO 1900#, INJECTING INTO LEAK @ 1 BPM @ 1900#. S/D LEAK OFF TO 1200 IN 30 SEC. BLEED PSI OFF. POOH W/ CSG SWEDGE. L/D BHA. X/O RIH W/ OPEN ENDED TBG TO 2260'. SWI. CALL FOR A CAMERA.

03/05/07 RUN DHV DOWN HOLE CAMERA

Days On Completion: 12

Remarks: 7:00 a.m. HSM SICP 250#, BLEED PSI OFF CONT TO RIH W/ OPEN ENDED TBG F/ 2300'. EOT @ 4750'. R/U PMP & LINES. CIRC DWN TBG UP CSG W/ 40 BBLS 2% KCL. POOH TO 4432'. MIRU CUTTERS. P/U DHV LOG TOOLS & RIH. LOG WELL F/ 4432' TO 4559'. DETERMINED LEAK GOING THROUGH BTM OF PATCH @ 4520' TRAVELING UP TO 4510' THEN EXITING CSG. POOH. L/D DHV TOOLS. RDMO CUTTERS. MIRU WEATHERFORD ACID PMP TRUCK. FILL CSG & ATTEMPT TO PSI TST. INJECTING INTO LEAK @ 6.3 BPM @ 5050#. PSI BLED OFF 3250# IN 2 MIN. RDMO WEATHERFORD. P/U 4" O.D. PATCH MILL & RIH. TAG TOP OF PATCH. SWI. SDFN

03/06/07 SWEDGING CASING

Days On Completion: 13

Remarks: 7:00 A.M. HSM 200# SICP. BLEED PSI OFF. CHANGE PLANS. X-O POOH W/PATCH MILL. L/D BHA. P/U 3.70" O.D. CSG SWEAGE, 1 DRL COLLAR, BMP SUB. JARS, 4 DRL COLLARS, INTENSIFIER, X/O SUB & RIH ON TBG. TAG TOP OF PATCH @ 4500'. BEG TO SWEAGE CSG PATCH. TOOK 4 - 6 THOUSAND LBS TO PUSH SWEAGE THROUGH TOP 15'. TOOK 10 - 12 THOUSAND LBS TO PUSH F/ 15' - 17'. LAST 3' HAD TO JAR DWN TO PUSH SWEAGE THROUGH LAST 3'. RUN SWEAGE THROUGH PATCH 4 TIMES. POOH W/ 60' TBG. ATTEMPT TO PSI TST CSG. PSI UP TO 2900#. INJECTING INTO LEAK @ .5 BPM @ 2900#. S/D LOST 1200# IN 5 MIN. BLEED PSI OFF. POOH W/ BHA. SWI. SDFN

03/09/07

600# SHUT IN CASING PRESSURE, BLEED PRESSURE OFF, RIH W/MILL, TAG PATCH AT 4515' (DRILLED REST OF PLUG ON THE PREVIOUS DAY), BREAK CONV CIRC AND BEGIN TO DRILL @ 9:30 AM, DRILL 4 HOURS, FELL THROUGH, POOH TO 4490', CIRC WELL CLEAN, ATTEMPT TO RIH, TD @4500', COULD NOT GO DOWN, POOH, LAY DOWN TBG, LAY DOWN BHA, SHUT WELL IN, SDFN

03/09/07 L/D TBG

Days On Completion: 16

Remarks: 7:00 A.M. HSM. 1100# SICP. BLEED PSI OFF. RIH W/ REMAINING TBG IN DERRICK. X-O POOH L/D TBG. ND BOP. NU 4 1/16" VALVE. SWI. RIG DWN RACK OUT EQUIP.

03/22/07 CSG LEAK

Days On Completion: 29

Remarks: 7:00 ROAD RIG FROM NBU 921-30D TO NBU 1021-18B, WAITED FOR BACK HOE TO BURY HOLE BEHIND WELL HEAD. MIRU, SPOT EQUIP, 150# FCP, BLOW WELL TO PIT PUMP'D 50 BBLS 10# BRINE FOLLOWED W/ 30 BBLS 2% KCL PUMP'D INTO CSG LEAK w/ 1800# @ 3/4 BPM. N/D WELL HEAD N/U BOPS, R/U TBG EQUIP. P/U 3-7/8 MILL, 3-7/8 STRING MILL, PONY COLLAR, STRING MILL, BIT SUB, DRL COLLAR, BUMPER SUB & JARS, 4 DRL COLLARS, INTENSIFIER, TALLEY & P/U 136 JNTS 2-3/8 N-80 TBG TAG CSG PATCH @ 4500' COULD NOT GO THROUGH, P/U PWR SWVL BRK CONV CIRC, DRL'D DOWN TO 4496' APROX 3-1/2 HRS, PULLED BACK UP THROUGH PATCH, WORKED TBG BACK & FORHT THROUGH PATCH WHILE ROTATING, AS SOON AS WE QUIT ROTATING TBG WE STACK OUT AT 4510' KICK SWVL IN WORK IT JUST A LITTLE WE FALL RIGHT THROUGH & RIIH TO 4496' NO PROB. PULL HIGH KELLEY CIRC HOLE CLEAN SWIFN. 7:00

03/23/07 CSG LEAK

Days On Completion: 30

Remarks: DAY #11] 7:00 HSM, REVIEW JSA #2, CHECK WELL PSI 200# SICP. 200# SITP. BLOW WELL DN BRK EST CIRC W/ RIG PUMP, WORKED MILL THROUGH CSG PATCH AREA 4500' TO 4529' UNTIL BECAME EASY AND COULD DO SO WITHOUT ROTATING TBG. POOH L/D BHA FOUND MILL WORE FLAT ON BOTTOM W/ PORTS PLUGGED W/ METAL. R/U WTHFRD WIRE LINE, P/U & RIH W/ 3-3/4 GAUGE RING, SET DN @ 4510' WORKED UP & DN UNTIL FELL THROUGH. SET DN @ 4552'. PULL UP THROUGH CSG COLLAR @ 4510', BUT HAD PROBLEMS GETTING BACK THROUGH WHEN TRY TO GO BACK DN. POOH W/ GAUGE RING & WIRELINE OPERATOR, NOT PAYING ATTENTION, RAN INTO PACK OFF HEAD AT SURFACE. LOST TOOLS DOWN HOLE. TRIED TO RUN A CALIPER LOG WHILE WAITING FOR FISHING TOOLS, BUT COULDN'T GET CALIPER LOG TOOLS TO WORK. P/U 3-1/8 GRAPPLE W/ 3-7/8 SKIRT, BUMPER SUB & JARS. RIH W/ 2-3/8 TBG TAG @ 4510'. WELL CAME AROUND, L/D 1 JNT SWIFN 6:00.

3/24/2007 CSG LEAK

Days On Completion: 31

Remarks: 7:00 HSM, CHECK WELL PSI 1200# BLOW WELL DN. P/U PWR SWVL, EST CIRC W/ RIG PUMP. WORKED TBG DN TO 4512' COULDN'T GET ANY DEEPER [3-7/8 OD SKIRT] EVERY TIME SET DN PUMP PRESSURE WOULD INCREASE, PICK UP & LOOSE PRESSURE, HUNG PWR SWVL BACK POOH. P/U 3-3/4 SKIRT/OVERSHOT W/1-11/16 GRAPPLE, BUMPER SUB JARS. RIH W/ TBG, TAG @ 4510' HARD GETTING THROUGH TIGHT SPOT. CONTINUE IN HOLE TAG @ 4623', FELL THROUGH & TAGGED @ 4706'. TBG STOPPED THERE COUNLDN'T GET DEEPER CIRC HOLE. POOH W/ TOOLS, FOUND BIG CHUNK OF CSG PATCH IN GRAPPLE. SWIFN. 5:00

03/26/07 FISHING

Days On Completion: 33 Remarks: 7:00 A.M. HSM

P/U 3 7/8" O.S. W/ 1 7/16" GRAPPLE & RIH, (DID NOT FEEL TIGHT SPOT @ 4510'). TAG

FISH TOP @ 4707'. WORK O.S. OVER FISH. PULL 20,000# OVER ST. WT. FISH CAME FREE. POOH, (FISH DRAGGING WHILE POOH). L/D FISH TOOLS. L/D W.L. TOOLS & GAUGE RING. X-O RIH W/ OPEN ENDED TBG TO 4559'. FILL TBG & CSG. EST INJ RT @ 1800# @ .75 BPM (RIG PMP). MIRU BIG 4 CMT SVC. CIRC WELL CLEAN W/ 40 BBLS FRESH WATER. MIX & PMP 50 SKS (10.2 BBLS). CLASS G CMT 15.8#. BALANCE PLUG W/ 13 BBLS FRESH WTR. S.D PMP. POOH W/ 30 JTS TBG. EOT @ 3516'. REV CIRC W/ 25 BBLS FRESH WTR. SI CSG & BEG TO SQZ.

PSI UP TO 1500# W/ 1BBL WAIT 5 MIN. LOST 120#

PSI UP TO 2000# W/ 1.5 BBLS WAIT 5 MIN. LOST 80#.

PSI UP TO 2530# W/ 1 BBLS WAIT 20 MIN. LOST 10#

SWI. TOTAL CMT BEHIND CSG 3.5 BBLS. TOTAL CMT LEFT IN CSG 6.7 BBLS (431' CMT). SDFN WAIT FOR CMT TO CURE.

03/27/07 DRILL CEMENT

Days On Completion: 34

Remarks: 7:00 a.m. HSM SICP 2300#, BLEED PSI OFF. POOH W/ TBG F/ 3516'. P/U 3 7/8" PDC BIT, X-O SUB, 4 - 3 1/8" DRL COLLARS. & RIH ON TBG. TAG CMT @ 4059'. (500' CMT). R/U DRL EQUIP. R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL. C/O CMT TO 4520' IN 4 HRS. PSI TST LEAK @ 4510' TO 550# FOR 15 MIN. (HELD). BLEED PSI OFF & CONT TO DRL. FELL THROUGH CMT @ 4573'. CIRC WELL CLEAN. CONT TO RIH STACK OUT @ 4707' CONT TO DRL. DRL 3 MIN'S & FELL THROUGH, CONT TO RIH. (PUSHING OBSTRUCTION DWN HOLE). EOT @ 7746'. SWI. SDFN

03/28/07 RUN WORK STRING

Days On Completion: 35

Remarks: 7:00 a.m. HSM CONT TO RIH. P/U 2 3/8" L-80 8RD TBG OFF TRAILER F/ 7746'. TAG PBTD @ 9480'. X-O POOH L/D TBG ON TRAILER TO 6500'. CONT TO POOH STAND BACK TBG. L/D DRL COLLARS. L/D BIT & BIT SUB. X-O TO 2 7/8" TBG EQUIP. X-O PIPE RAMS. P/U 4 1/2" H.D. PKR, PREP & TALLY 2 7/8" N-80 8RD TBG & RIH P/U TBG OFF TRAILER. EOT @ 3769'. SHUT WELL IN. SDFN

03/29/07 PERF AND FRAC

Days On Completion: 36

Remarks: 7:00 A.M. HSM CONT TO RIH W/ 2 7/8" TBG F/ 3769'. SET PKR @ 4654'. R/U FRAC VLV STACK. FILL TBG & CSG & PSI TST TO 7500# HELD. FILL CSG ABOVE PKR & PRESSURE UP TO 250#, (WILL MONITOR ANNULAS PSI DURRING FRAC). MIRU CUTTERS. P/U 1 9/16" PERF GUNS LOADED W/ 3.2 GM CHARGES. 4 SPF, 60 DEG PHASING & RIH. SHOOT 40 HOLES F/ 9365' - 9375', P/U SHOOT 32 HOLES (8 SPF) F/ 9313' - 17', P/U SHOOT 24 HOLES F/ 9199' - 9205', POOH. MIRU HALLIBURTON. PSI TST SURF LINES TO 8500# (HELD). PREP TO FRAC.

NOTE: ALL STAGES SHOT W/ 1 9/16" EXP PERF GUNS LOADED W/ 3.2 GM CHARGES, 4 SPF, 60 DEG PHASING. ISOLATION WILL BE PREFORMED W/ SAND PLUGS. ALL ZONES INCLUDE NALCO DVE-005 SCALE INHIB, 3 GAL PER THOUSAND IN PAD & 1/2 OF RAMP. 10 GAL PER THOUSAND IN FLUSH.

STG 1: BRK DWN PERF'S @ 4936#, EST INJ RT @ 17 BPM @ 6100#, ISIP 2966#, FG .75, TREAT STG 1 W/ 209,400# 20/40 SAND W/ LT 30# GEL. TOT CL FL 1842 BBLS. ISIP 3850#, NPI 884#, FG .85

STG 2: P/U 1 9/16" PERF GUNS & RIH TO 7000', WAIT 93 MIN'S FOR SAND TO SETTLE, RIH TAG SAND PLUG @9286. P/U SHOOT 32 HOLES F/ 9081' - 89', P/U SHOOT 40 HOLES F/ 9048' - 58', P/U SHOOT 24 HOLES F/ 8972' - 78'. POOH. BRK DWN PERF'S @ 5487#, EST INJ RT @ 20.9 BPM @ 6450#, ISIP 3340#, FG .80, TREAT STG 2 W/ 289,800# 20/40 SAND W/ LT 30# GEL. TOT CL FL 2484 BBLS. ISIP 3244#, NPI -96#, FG .79

03/30/07 PERF AND FRAC

Days On Completion: 37 Remarks: 7:00 A.M. HSM

STG 3: P/U 1 9/16" PERF GUNS & RIH. TAG SAND PLUG @ 8945' (28' ABOVE PERF'S). P/U SHOOT 40 HOLES F/ 8810' - 20', P/U SHOOT 32 HOLES F/ 8702' - 8710', P/U SHOOT 16 HOLES F/ 8649' - 53'. POOH. BRK DWN PERF'S @3790# EST INJ RT @ 21.6 BPM @ 6320#, ISIP 2729#, FG .75, (CROSS LINKER STOPPED & OVER PUMPED DURRING 5# STAGE CUT SAND & PMP SWEEP WHILE MAKE REPAIRS @ 123,500# IN FORMATION TOTAL WATER PUMPED DURRING SWEEP 275 BBLS.) CONT W/ FRAC. TREAT STG 3 W/ TOTAL OF 190,500# SAND W/ 30# X-LINK GEL. TOTAL CL FL 1725#, ISIP 3292#, NPI 563#, .81 FG

STG 4: P/U 1 9/16" PERF GUNS & RIH. (WAIT FOR SAND TO FALL 76 MIN). TAG SAND @ 8911' (SAND PLUG LOW 345'). POOH. RESET SAND PLUG W/ 3300# SAND IN FRESH WATER. DISPLACE PLUG TO PERF'S W/ 71 BBLS WATER. S/D WAIT FOR SAND TO FALL. P/U PERF GUNS & RIH. TAG SAND PLUG @ 8590'. P/U SHOOT 40 HOLES F/ 8473' - 83', P/U SHOOT 24 HOLES F/ 8348' - 54', P/U SHOOT 8 HOLES F/ 8351' - 53'. POOH. BRK DWN PERF'S @ 6130#, EST INJ RT @ 14.7 BPM @ 5330#, ISIP 3144#, FG .81. TREAT STG 4 W/ 123,600# SAND W/ 30# X-LINK GEL. TOT CL FL 884 BBLS. ISIP 2228#, NPI -916# (SET 18600# SAND PLUG). FG .70. SWI. SDFN

03/31/07 PERF AND FRAC

Days On Completion: 38

Remarks: 7:00 A.M. HSM P/U 1 9/16" PERF GUNS & RIH. TAG DWN @ 2800'?, FELL THROUGH CONT TO RIH. TAG DWN @ 2990'. ATTEMPT TO BRK THROUGH. SPUD ON BRIDGE FOR 1 HR. COULD NOT BRK FREE. ATTEMPT TO POOH W/ PERF GUNS. GUNS PARTED @ 2840'. POOH W/ PARTED LINE (LINE PARTED @ 410#??). RDMO CUTTERS. RLS HALLIBURTON. ND FRAC VLV ASSEMBLY. P/U ON PKR. CASING BEGAN FLOWING. FLOW CSG FOR 36 BBLS. CSG WOULD NOT DIE. SET DWN & RESET PKR. MIRU DELSCO W/ W.L. FISH TOOLS. & RIH. TAG SND @ 2846'. ATTEMPT TO FISH W.L. POOH DID NOT RET. FISH. REDRESS & CLEAN SAND OUT OF FISH TOOLS. & RIH. TAG SAND AND ATTEMPT TO FISH PERF GUNS. COULD NOT LATCH FISH. POOH. LOST W.L. FISH TOOLS. REDRESS JDC & RIH. LATCH FISHING TOOLS & POOH. RDMO DELSCO. SWI. SDFWE

04/02/07 PULL PACKER

Days On Completion: 40

Remarks: 7:00 A.M. HSM SICP 0#, SITP 0#, CONSULT ENGINEERING. OPEN UNLOADER ON PKR & BEG FLOWING CSG. CSG FLOWED 40 BBLS THEN DIED. RLS PKR @ 4654' & BEG TO POOH. L/D 2 JTS TBG. ACID IN TBG. S/D R/U SWAB EQUIP. RIH TO 1000'. BEGIN TO POOH W/ SWAB, SAND LINE PARTED, (LOST EST 200' SAND LINE). POOH R/D SWAB EQUIP. CONT TO POOH W/ TBG L/D 2 MORE JTS. TBG BECAME STUCK W/ 15' OUT ON 5TH JT. (EST EOT @ 4528'). JAR & SPUD ON TBG FOR 2 HRS. MIRU DELSCO SWAB UNIT. & RIH. SWAB TBG DWN TO 2000'. P/U W.L. FISH TOOLS & RIH. LATCH FISH. P/U & PULLED OFF FISH. POOH. SWI. SDFN

04/03/07 FISHING

Days On Completion: 41

Remarks: 7:00 A.M. HSM SICP 0#, SITP 0#, P/U PORCUPINE SPEAR ON DELSCO SWAB LINE & RIH. LATCH PARTED SAND LINE @ 2150'. P/U DRAGGING WHILE POOH. LOST FISH CLOSE TO SURFACE. CHECK FISH TOOLS. & RERUN SPEAR. LATCH FISH @ 2150'. POOH. LOST FISH @ 1500' +/-, POOH. INSPECT SPEAR. RERUN SPEAR. TAG FISH @ 2150'. ATTEMPT TO LATCH FISH. COULD NOT LATCH FISH. POOH. LOST SPEAR. REDRESS JDC O.S. & RIH. LATCH FISH TOOLS. POOH. RDMO DELSCO. X-O TO 2 7/8" TBG EQUIP. ATTEMPT TO POOH W/ TBG. P/U TO 120,000# TBG STILL WOULD NOT MOVE. JAR & SPUD ON TBG FOR 1 HR W/O SUCCESS. SWI. SDFN

04/04/07 FISHING

MIRU CUDD COIL TBG UNIT, PICK UP SPEAR, JAR SCREWDRIVER, RIH TAG FISH TOP AT 2380. ATTEMPT TO FISH FOR 2 HOURS WITHOUT SUCCESS. POOH SDFN.

04/05/07 BACK OFF TBG

Days On Completion: 43

Remarks: 7:00 A.M. HSM R/U CUDD. P/U W.L. FISH TOOL W/ JARS & YANKEE SCREW DRIVER & RIH. TAG FISH TOP @ 2830'. ATTEMPT TO LATCH FISH W/O SUCCESS. FISH FOR 1 HR. POOH. FOUND TOOTH BROKEN OFF SPEAR. CONSULT ENGINEERING. BLOW OUT COIL. R/D CUDD. R/U PWR SWIVEL. R/U PMP & LINES. APPLY 1000# PSI ON TBG. PREFORM MANUAL BACK OFF. AFTER TBG CAME FREE. ST WEIGHT 18000#. POOH. W/ 42 STNDS TBG 2604'. (1ST JT PULLED TO 40,000#). W.L. TOOLS FELL OUT OF TBG. DID NOT RETRIEVE SWAB TOOLS. X-O RIH W/ 2 7/8" TBG COLLAR. RE-TORQUE ALL CONNECTIONS WHILE RIH. TAG FILL @ 2395'. X-O POOH. STAND BACK TBG. SWI. SDFN

04/06/07 FISHING SANDLINE

Days On Completion: 44

Remarks: HSM, O PRESSURE ON WELL, TALLY & PICK UP WIRE LINE GRAB, B SUB, HYD. JARS, 4 D C'S, & ACCELERATOR, RIH ON 2 7/8" TBG., TAG UP @ 2320', PUSH DOWN HOLE TO 2420', POOH, DRUG 4,000# FOR ABOUT 120'. TBG PULLED WET TILL 1/2 WAY OUT OF HOLE. GOT OUT OF HOLE, NO RECOVERY & NO MARKS ON GRAB. MAKE UP NOTCHED COLLAR ON TBG & RIH TO 2420'. HOOK UP PS & PUMP. CIRCULATE HOLE CLEAN, GOT BACK HEAVY GEL & SOME SAND. ROTATE ON PLUG, SET 10,000# DOWN, COULD NOT MAKE ANY HOLE. POOH, RECOVERED ABOUT 3' WADDED UP SAND LINE. MAKE UP WIRE LINE GRAB W/JARS & DC'S & RIH TO 2420'. JAR & PUSH PLUG TO 2449', PULLED SLOWLY TO 2390', HUNG UP. PULLED 5,000# OVER & WAITED FOR JARS TO GO OFF, CAME FREE. POOH, RECOVER ABOUT 50' SAND LINE, LINE WAS PULLED APART ON BOTTOM. CLOSE IN WELL, SDFN

04/09/07 FISHING

Days On Completion: 47

Remarks: 7:00 a.m. HSM P/U SAND LINE SPEAR. 4 DRL COLLARS. JARS, BMP SUB & RIH ON TBG. TAG TOP OF FISH @ 2450', PUSH FISH DWN HOLE TO 2468'. P/U HAD FISH, POOH. BECAME STUCK IN W.H. NDBOPE. DIG SAND LINE OUT OF WELL HEAD. PULL SAND LINE RECOVERED 250'. P/U 2 7/8" TBG COLLAR & RIH ON TBG. TAG FISH TOP @ 2604'. R/U PWR SWIVEL. M/U TBG ONTO FISH TOP. TORQUE UP, APPLY 1500# & BACK OFF TBG. TBG BACKED OFF SHALLOW. REPEAT PROCEDURE SEVERAL TIMES TILL RECEIVED 20,000# WEIGHT. R/D DRL EQUIP. POOH W/ 84 STANDS TBG. (2604'). CALL FOR O.S. SWI. SDFN

04/10/07 JAR ON FISH

Days On Completion: 48

Remarks: 7:00 A.M. HSM P/U 3 7/8" O.S. W/ 3 3/32" GRAPPLE, DRL COLLARS. JARS. BMP SUB & ACCELERATOR & RIH. LATCH FISH @ 2604'. BEGIN TO JAR ON FISH @ 10:00 A.M. JAR ON FISH F/ 80,000#, - 100,000# FOR 2 HRS. MADE NO HOLE. ATTEMPT TO BACK OFF TBG BELOW O.S. W/O SUCCESS. TBG BACKED OFF HIGH 2 TIMES. RELATCH FISH. RLS O.S. & BEG TO POOH. SWI. SDFN (HIGH WIND CONDITIONS COULD NOT TRIP TBG.

04/11/07 STILL FISHING

Days On Completion: 49 Remarks: 7:00 A.M. HSM

POOH W/ 3 7/8" O.S. L/D BHA. P/U 2 7/8" TBG COLLAR & RIH. TAG FISH TOP @ 2604'. THREAT ONTO FISH. MIRU CASED HOLE SOLUTIONS W.L. P/U 2 1/2" IMPRESSION BLOCK & RIH. TAG DWN ON FISH @ 300 FPM. POOH. (APPEARS TO BE SAND LINE @ 2750'. P/U FREE POINT TOOLS & RIH. TAG FISH TOP (INSIDE TBG) @ 2752'. FREE POINT

TBG @ 2752' (100% FREE). POOH. P/U 2.25" CHEM CUTTER & RIH. PULL 6000# OVER ST WT. CUT TBG OFF @ 2752'. POOH. RDMO CHS. R/U PMP & LINES REV CIRC W/ 30 BBLS 2% KCL. (RECEIVED WATER & SOME THICK GEL IN RETURNS). POOH W/ TBG. L/D 3' CUT TBG JT. P/U REVERSING TOOLS ON 2 7/8" TBG. RIH. LATCH TBG @ 2752'. R/U PWR SWIVEL. WORK O.S. OVER FISH. BACK TBG OFF. RECEIVE 2000# OVER ST WT. POOH. L/D FISH TOOLS, CONT TO POOH. RECEIVE 250' TBG. 8 JTS. ALSO SWAB TOOLS & PERF GUNS. (SAND IN BRIDGES IN BTM 250').SWI. SDFN

TBG LEFT IN HOLE 1510'. TOP OF FISH 3003'.

04/12/07 FISHING TBG

Days On Completion: 50

Remarks: 7:00 a.m. HSM STRIP PERF GUNS & SWAB TOOLS OUT OF TBG STAND. P/U 2 7/8" TBG COLLAR & RIH. TAG FISH TOP @ 3003', THREAD INTO TBG. R/U PMP & LINES & ATTEMPT TO CIRC DWN TBG UP CSG. W/O SUCCESS. WORK & JAR ON TBG. MIRU CASE HOLE SOLUTIONS. P/U 1.5" O.D. SPEAR & COLLAR LOCATER. & RIH. TAG PKR @ 4512'. POOH. R/U PMP & LINES. PMP DWN TBG UP CSG. OPEN UNLOADER ON PKR. BROKE CIRC. CIRC WELL CLEAN W/ 60 BBLS 2% KCL. (RECEIVED BACK HEAVY GEL & SAND). S/D PMP. P/U 2.25" CHEM CUTTER & RIH. CUT TBG OFF TBG @ 4506'. POOH. RDMO CHS. POOH W/ TBG. L/D CUT JT. P/U 3 7/8" O.S. W/ 2 7/8" GRAPPLE. 4 DRL COLLARS. JARS, BMP SUB. & ACCELERATOR. & RIH. EOT @ 4000'. SWI. SDFN

04/13/07 FISH PKR

Days On Completion: 51

Remarks: 7:00 A.M. HSM CONT TO RIH W/ O.S. & FISH TOOLS F/ 4000'. LATCH FISH @ 4503'. PULL UP TO 50,000#, SET OFF JARS. FISH CAME FREE. (PKR DRAGGING FOR 2 JTS). POOH. L/D PKR. L/D JARS, BMP SUB, ACCELERATOR, 4 DRL COLLARS. RIH W/ OPEN ENDED 2 7/8" TBG. POOH & L/D 2 7/8" WORK STRING. X-O TO 2 3/8" TBG EQUIP. PREP TO RIH W/ PROD TBG. SWI. SDFN

04/16/07 C/O SCALE

Days On Completion: 54

Remarks: 7:00 a.m. HSM P/U 3 7/8" MILL, POBS & RIH ON 2 3/8" L-80 8RD PROD TBG. TAG FILL @ 4640'. R/U DRL EQUIP. R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL. (HEAVY SAND IN RETURNS, NO THICK GEL). @ 5682' FOUND THICK GEL SUBSTANCE? CONT TO DRL. FELL THROUGH @ 5935'. 800# PSI INC, CIRC WELL CLEAN FOR 45 MIN. WELL FLOWING. (RECEIVED LARGE AMOUNT OF SAND). R/D PWR SWIVEL. PREP TO RIH OUT OF DERRIK IN A.M. SWI. SDFN

04/17/07 FINAL REPORT

Days On Completion: 55

Remarks: 7:00 A.M. HSM SICP 2100#, BLEED PSI OFF. CONT TO RIH W/ TBG F/ 5935'. TAG CIBP @ 9478'. POOH. L/D 30 JTS TBG. LUBRICATE TBG HANGER INTO WELL. LAND TBG W/ EOT @ 8575'. NDBOPE. NUWH. DROP BALL, PMP OFF THE BIT SUB @ 1500#, R/U FLOW BACK EQUIP. RIG DWN, RACK OUT EQUIP. TURN OVER TO FLOW BACK CREW

SICP 1500#, FTP 50# OPEN CHOKE

FLOW BACK REPORT: CP: 1800#, TP: 875#, 40 BWPH, 20/64 CHK, BBLS REC'D: 957, LLTR: 3918

04/18/07 FLOW BACK REPORT: CP: 1600#, TP: 650#, 20 BWPH, 20/64 CHK, BBLS REC'D: 1640, LLTR: 3135

04/19/07	FLOW BACK REPORT : CP: 1225#, TP: 500#, 15 BWPH, 20/64 CHK, BBLS REC'D: 2075, LLTR: 2700
04/20/07	FLOW BACK REPORT : CP: 1050#, TP: 500#, 13.5 BWPH, 16/64 CHK, BBLS REC'D: 2408, LLTR: 2367
04/21/07	FLOW BACK REPORT: CP: 950#, TP: 300#, 10 BWPH, 16/64 CHK, BBLS REC'D: 2675, LLTR: 2100 ON SALES: 253 MCF, 0 BC, 270 BW, TP: 300#, CP: 950#, 16/64 CHK, 18 HRS, LP: 67#.
04/22/07	WELL WENT ON SALES: @ 9:00 AM, 253 MCF, 148 TBG, 300 CSG, 18/64 CK, 270 BBWH ON SALES: 385 MCF, 0 BC, 160 BW, TP: 235#, CP: 785#, 18/64 CHK, 24 HRS, LP: 62#.
04/23/07	ON SALES: 363 MCF, 0 BC, 120 BW, TP: 204#, CP: 725#, 18/64 CHK, 24 HRS, LP: 63#.
04/24/07	ON SALES: 298 MCF, 0 BC, 120 BW, TP: 278#, CP: 801#, 18/64 CHK, 24 HRS, LP: 200#.

DEPARTMENT OF NATURAL RESOURCES (highlight changes)											FORM 8							
DIVISION OF OIL, GAS AND MINING													5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02270-A					
WELL COMPLETION OR RECOMPLETION REPORT AND LOG													6. IF INDIAN, ALLOTTEE OR TRIBE NAME					
1a. TYPE OF WELL:		O _W	VELL _] (GAS Z]	DRY		ОТНЕ	R				JNIT or CA				
b. TYPE OF WORK NEW WELL	C: HORIZ. LATS.	Đ	DEEP-	1 !	RE- ENTRY	ר	DIFF. RESVR.	7	ОТНЕ	=R				BU 1				
2. NAME OF OPERA KERR McG	ATOR:					.		_						13047		132		
3. ADDRESS OF OP	ERATOR:							0.46			NUMBER:	<u> </u>	10 FI	ELD AND	P00	L, OR V		
1368 S 1200 E VERNAL UT #84078 (435) 781-7024 NATURAL BUTTES 4. LOCATION OF WELL (FOOTAGES) 11. QTR/QTR, SECTION, TOWNSHIP, RANGE,												-						
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 560'FNL, 2104'FEL 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 18 10S 21E																		
AT TOP PRODUC	CING INTERV	AL REPO	RTED BE	LOW:									42.	COUNTY				3. STATE
AT TOTAL DEPT	н:									- ·			Ų	INTA	.H			UTAH
14. DATE SPUDDED 12/7/2006	D: 15	2/3/2	T.D. REAC	HED:	16. DATE 4/22	E COMPL 2/2007		A	BANDONE	ED 🔲	READY TO PR	ODUCE	Ø		115'		, RKB,	RT, GL):
18. TOTAL DEPTH:	0,0	65		19. PLUG	BACK T.D		9,613		20. IF N	MULTIPLE CO	OMPLETIONS, F	IAM WOH	NY? *	21. DEF Pl	TH BE UG S		MD TVD	
22. TYPE ELECTRIC	TVD C AND OTHER	R MECHA	NICAL LO	GS RUN (Submit cop	TVD y of each)		Т	23.								
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL-CCL-GR Was WELL CORED? Was DST RUN?								NO NO	7	YES [YES [(Subm	nit analysis)					
24. CASING AND LI	NED DECOR	D (Report	t all string	s set in w	ell)	-	-w-			DIRECTIO	NAL SURVEY?		NO	<u> </u>	YES		(Subn	nit copy)
HOLE SIZE	SIZE/GRA		WEIGH1		TOP (MD)	вотто	M (MD)		EMENTER	CEMENT TYP		SLURRY VOLUME (BBL) CEMENT TOP ** AMOUNT PULLED					
20"			36.				4		DE	PTH	NO. OF SAC	KS V	VOLONIC (BBL)		<u> </u>			
12 1/4"		STL 1-40	32.			-	-	130			770				 			
7 7/8"		1-80	11.				665			1470								
															┞			
	l																—	1
25. TUBING RECOR		SET (MD)	PACE	(ER SET (MD)	SIZE	:	DEPTH	SET (MD)	PACKE	R SET (MD)	S	IZE		DEPTH	H SET (N	MD)	PACKER SET (MD)
2 3/8"		575	PACI	CEN SET	IVID)	JIZE.	•	DE, III	001 (1110)	17.01.								
26. PRODUCING IN		,,,,								27. PERFO	RATION RECOI	RD						
FORMATION		TOF	P (MD)	вотто	OM (MD)	TOP	(TVD)	вотто	M (TVD)	INTERVA	L (Top/Bot - MD)) S	IZE	NO. HO	LES	Pf	RFOF	RATION STATUS
(A) MESAVE	RDE	8.	,351	9.	375					8,351	9,3	75 0	.20	35	2	Open	$\overline{\mathbf{Z}}$	Squeezed
(B) LIST	11/0		·				_									Open		Squeezed
(C)	1417	†														Open		Squeezed
(D)				1			•									Open		Squeezed
28. ACID, FRACTUI	RE, TREATM	ENT, CEN	MENT SQU	EEZE, ET	C.													
DEPTH	INTERVAL								AM	OUNT AND 1	YPE OF MATE	RIAL						
8351'-9375'			РМ	P 6935	BBLS	3 20#	24# X	-LINK	GEL &	793,80	0# 20/40	SD						
							-											
			1		···													
29. ENCLOSED AT	TACHMENTS	:	•			· · · · · · · · · · · · · · · · · · ·										30	. WEL	L STATUS:
	RICAL/MECH			O CEMEN	r verific	ATION		GEOLOG	IC REPOR	т 🔲	DST REPORT		DIREC	TIONAL	SURV	'EY		PROD

(CONTINUED ON BACK)

(5/2000)

RECEIVED MAY 2 9 2007

						to the second				
DATE FIRST PF 4/22/200	RODUCED:	TEST DATE: 4/22/200	7	HOURS TESTED:		TEST PRODUCTION RATES: →	Oil – BBL:	GAS – MCF: 385	WATER - BBL: 160	PROD. METHOD
сноке size: 18/64	TBG. PRESS.	CSG. PRESS. 785	API GRAVITY			24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF: 385	WATER – BBL: 160	INTERVAL STATE
				INT	ERVAL B (As sho	wn in item #26)				
DATE FIRST PRODUCED: TEST DATE:		HOURS TESTER	D:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER BBL:	PROD. METHO		
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER – BBL:	INTERVAL STAT
		-		INT	ERVAL C (As sho	wn in item #26)	•			
DATE FIRST PF	DATE FIRST PRODUCED: TEST DATE:		HOURS TESTED: TEST PRODUCT: RATES: →		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER – BBL:	PROD. METHOD	
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER BBL:	INTERVAL STA
-	_!		<u> </u>	INT	ERVAL D (As sho	wn in item #26)	<u> </u>			
DATE FIRST PE	TE FIRST PRODUCED:		TEST DATE:		D:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS - MCF:	WATER BBL:	PROD. METHOL
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER - BBL:	INTERVAL STA
32. DISPOSITION SOLD	ON OF GAS (Sold	, Used for Fuel, V	ented, Etc.)							
Show all imports	OF POROUS ZON ant zones of porosi used, time tool ope	ity and contents th	•	rals and all drill-sten I recoveries.	n tests, including de	1	4. FORMATION	(Log) MARKERS:		

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	4,559 7,532	7,532			

35. ADDITIONAL REMARKS (Include plugging procedure)

CSG LEAK AT 4510' SQUEEZE CSG CIRC WELL W/40 BBLS FRESH WATER. MIX & PMP 50 SX (10.2 BBLS) CLASS G CMT

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.										
NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST									
SIGNATURE // MILLIM	DATE 5/22/2007									

This report must be submitted within 30 days of

- · completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to:

Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

^{*} ITEM 20: Show the number of completions if production is measured separately from two or more formations.